





# LIST OF MAPS, INSETS, AND ILLUSTRATIONS

## (COLOURED MAPS)

DENMARK	EUROPE	HOLLAND
EAST INDIES	FRANCE	INDIA
ENGLAND AND WALES	GERMANY	

## MAPS INDICATING THE VARIOUS AREAS OF COMMERCIAL PRODUCTION

ENGLAND AND WALES	FRANCE	INDIA
EUROPE	GERMANY	

## MAPS IN TEXT

WORLD, showing Cotton producing Countries	EQUATORIAL AFRICA (showing the exchange of territory between France and Germany 1911)	EGYPT AND THE SOUDAN FIJI GIBRALTAR GREECE
CUBA		
CYPRUS		

## INSETS

COSTS DEPARTMENT	HIRE-PURCHASE AGREEMENT
FACSIMILE OF MORTGAGE DEBENTURE	RATE AND YIELD OF INCOME TAX FOR THE LAST THIRTY YEARS
DEFAULT SUMMONS	PROPOSAL FORM FOR GUARANTEE INSURANCE
DOCK WARRANT	PROPOSAL FORM FOR THIRD PARTY INSURANCE
WRIT OF HABEAS CORPUS	INDORSEMENTS OF CHEQUES
FOREIGN BILL OF EXCHANGE	

## ILLUSTRATIONS

MIMEOGRAPH	PIGEON HOLE CABINET
RONCO DUPLICATOR	FILING CABINET

BESIDES NUMEROUS FORMS, RULINGS, ETC., PRINTED IN WITH THE TEXT

the unit of cost it is desired to determine. Thus, in the case of a watchmaker who would employ a system of multiple costing, the wages of a given operator would be split up day by day against the number of jobs in hand, and so on for the rest of his colleagues throughout the factory. Presuming such a man to have an order to make a gross of hair-springs, this order would be given a certain number as issued by the works foreman. The workman is required to state on a time card or sheet the amount of time he spends upon this job, so that at the end of each week his time, as well as that of his fellows, can be allocated to this and other jobs passing through the department. At this juncture it is necessary to mention the precautions observed which will ensure the whole of the productive wages being charged up, because the charging of productive labour is the basis upon which practically the whole structure of costing is compiled, except as regards raw material.

Although the whole fabric of the cost accounts may be said to be entirely distinct from those of the financial books, we must not lose sight of the fact that the cost ledgers are really subsidiary to the accounts which show the trading and profit and loss accounts of the concern. Indeed, upon the successful working of the former the whole prospects of the firm might entirely depend.

The different elements which are required to make up any system of costing are as follows—

1 *Productive Labour*, which must be analysed either daily or weekly and charged to the respective jobs or to contracts passing through the factory, the total of the amounts so charged being made to agree with the full productive wages paid.

In dealing with wages, it is advisable to introduce some mechanical means of checking time and workmen. Many useful devices exist, some even going to the extent of providing not only the full time worked by each employee, but also the time occupied on any specific job passing through the factory. In practice it has been found advisable, at any rate, to instal a time-recording clock for full time worked, which shall be supported by daily dockets kept by each workman, upon which they record the time occupied upon the various works in progress, provision being made to indicate the character of the work involved. A given article may in one department pass through as many as a dozen different employees, each of a distinct character. Then again, the factory may be comprised of three or even more different departments, each being more or less recognised as practically a distinct trade. This is, of course, the outcome of the factory system. Adam Smith, in his *Wealth of Nations*, gives an instance of the number of phases through which a pin undergoes before arriving at completion, each of these operations are carried out by different workmen, who, even at this time, a century and a half ago, displaced the old time craftsmen who undertook the production of this modest article from start to finish. The new principle applies in practically every trade, and the specialist now is one who merely undertakes the production of a given article at one stage only. Thus the factory is made up of a series of different craftsmen who each, in their turn, carry out the various operations applicable to their particular work. To provide an adequate means of recording the time and the character of work employed, it is necessary to employ a form which will, without unduly occupying the time of the worker, display the necessary information as to the net time occupied

by him and the character of the work involved. In the majority of factories it is found necessary to have these particulars returned to the costing department day by day, where next morning the previous day's productive labour is dissected and charged up on to cost cards, one card for each item of work in progress. It is usual to agree these daily dissections week by week with the amount of total wages paid, or fortnightly, if such a period of payment is in vogue, the daily dockets of the men being collected into weekly batches and agreed with their time records to be handed by the overseer to the works manager, and so on to the costing department.

2 *Raw Material*. A proper system of requisitioning goods required to complete a given contract must be employed whether the goods are required from the stores of the establishment or to be especially ordered from an outside firm. It is usual, in charging up material, to add a certain percentage—say, 5 to 10 per cent—for cost of warehousing and to cover any possible loss through depreciation in value occasioned by effluxion of time, and so forth. Again, other houses add a definite rate per cent as a profit for handling such raw material. In this instance, it is necessary periodically to check the amount charged up to the various jobs in hand, with a view to ascertaining the correctness of the entries made. The financial accounts will show a certain consumption of material under the various heads, the cost department should be able to show that the same amount has been charged up approximately through their accounts for the same period.

With regard to materials, some system of requisition docket employed by the overseer of each department must be brought into use. The requisition form must bear the number of the work order or job in hand, full particulars of the material required with quantities, and any special remarks which may be deemed necessary, the requisition order being signed by the employee, countersigned by the foreman. When the material has been handed out, the storekeeper will retain this requisition order as a voucher, entering the particulars in his stores ledger to correspond with the transaction. Should special material be required, i.e., some goods which are not kept in stock, the overseer will hand the requisition to the order office, where instructions will be sent out to the firm supplying the goods, which, when delivered, will be fully charged up to the work order indicated on the original requisition form; but will, nevertheless, be passed through the stores ledger as a record of the goods having been received, and in order that some check may be placed upon the system, to show that the whole of the raw material passing through the various headings of material consumed has been charged up from time to time.

The term "raw material" is somewhat misleading from the practical economic standpoint. Its theoretical equivalent signifies a product upon which no labour has been expended. For the purposes of costing, it must be regarded as that commodity which reaches, or is bought by, the consumer in the state required for his use. Thus, wool is the raw product to the cloth factory, whence it evolves as cloth, to become the raw product for the manufacturing clothier.

3 *Establishment Charges or Overhead Burden*. This is added to the cost of productive labour involved, and embraces all charges such as administrative wages, rent, rates, and taxes, repairs,







non-payment the banker may be entitled to charge the amount to the account of the customer. Also a banker must be diligent in presenting the notes, otherwise he will be liable, in the absence of any arrangement to the contrary, for any loss which arises.

Bank notes are presented for clearing like cheques in the daily clearing, if the issuing bank is in the same town or district as the collecting bank. Otherwise they are either collected through London or remitted direct.

When a person changes a bank note, he is liable for the amount of the same to the person who took it, if the note is dishonoured, unless the latter did not put it into circulation or present it for payment within a reasonable time.

Banks of issue re-issue their notes constantly until they become unfit, through constant usage, for circulation. In this respect the country banks differ from the Bank of England, which never re-issues its notes when once they have been returned to the Bank.

Where notes are received which prove to be forgeries, the amount can be recovered from the person from whom they were obtained.

**COUNTRY CLEARING.**—The section of the business of the London Bankers' Clearing House which includes all cheques and country bank notes dealt with by the House and not included in the Town Clearing or Metropolitan Clearing, that is, cheques on the country correspondents of the London bankers.

Country bankers who avail themselves of the clearing remit their country cheques and country bank notes to their own London agent, or London office, and stamp across them their own names and addresses and that of their London agent or head office.

When a country banker does not intend to pay a cheque received by him from his London agent for collection, he must, by the rules of the Clearing House, return it direct to the country or branch bank whose name and address is across it, and this must be done by return of post; it cannot be held over till next day. (See CLEARING HOUSE.)

**COUNTY BOROUGH.**—A county borough is a town consisting of not less than 50,000 inhabitants, which has been admitted to this special rank after application to the Local Government Board. There were sixty-one towns constituted as county boroughs by the Local Government Act, 1888, but these have since been added to. A county borough is entirely independent of the county council, and is, in fact, the highest form of self-government known in the United Kingdom. It is ruled entirely, as to municipal and local matters, by its own borough council, which enjoys not only the powers of the ordinary council of a municipal borough granted by the Municipal Corporation Act of 1882, but also the special powers of the County Councils Act of 1888, and all subsequent amending Acts. A county borough can make arrangements with the county council as to sharing expenditure in connection with the administration of police matters, and also as to asylums. If the county borough is one in which no court of assize is held, it must contribute towards the expenses of the assizes. The county boroughs in England and Wales are: Barrow, Bath, Birkenhead, Birmingham, Blackburn, Blackpool, Bolton, Bootle, Bournemouth, Bradford, Brighton, Bristol, Burnley, Burton-on-Trent, Bury, Canterbury, Cardiff, Chester, Coventry, Croydon, Derby, Devonport, Dudley

Exeter, Gateshead, Gloucester, Grimsby, Halifax, Hastings, Huddersfield, Hull, Ipswich, Leeds, Leicester, Lincoln, Liverpool, Manchester, Middlesbrough, Newcastle-on-Tyne, Newport, Northampton, Norwich, Nottingham, Oldham, Oxford, Plymouth, Portsmouth, Preston, Reading, Rochdale, Rotherham, St Helens, Salford, Sheffield, Southampton, Southport, South Shields, Stockport, Stoke (including Burslem, Hanley, Longton, Stoke, and the urban districts of Fenton and Tunstall), Sunderland, Swansea, Tynemouth, Walsall, Warrington, West Bromwich, West Ham, West Hartlepool, Wigan, Wolverhampton, Worcester, Yarmouth, and York.

**COUNTY COUNCIL.**—England, Wales, and Scotland are divided into counties. The word county is Norman, from *comité*, or count. The older word is shire—that which is shorn off or divided. The counties were originally managed, as far as their local government was concerned, by the sheriff of the county who presided over the ancient county court, a court which has no relation whatever with the modern county court, which was established in the reign of Queen Victoria to settle differences between small debtors and creditors. The local management of the different parts of the county was in the hands of the county justices of the peace.

By an Act passed in 1828, justices were authorised to suggest what townships or places would form proper divisions for special sessions. No new divisions were to be sanctioned unless five justices resided therein. The purchase, control, and management of shire, or county, halls was in the hands of the justices. To certain cities and towns has been granted the right of being counties in themselves. Such counties of cities and towns have their own sheriffs, their own corporation, and their own management, quite separate and distinct from the county in which they are geographically situated. The cities and towns which are counties in themselves are London, Chester, Bristol, Coventry, Canterbury, Exeter, Gloucester, Lichfield, Norwich, Worcester, York, Kingston-upon-Hull, Nottingham, Newcastle-upon-Tyne, Poole, and Southampton.

The great Act of 1888 regulates the local government of counties to-day. It is entitled "An Act to amend the law relating to local government in England and Wales." The Act establishes a county council in every administrative county. There is a chairman, together with aldermen and councillors. This council manages the administrative and financial affairs of the county. The following persons may be elected as aldermen or councillors: Clergymen, ministers, peers of the realm, and other Parliamentary voters. The aldermen are called county aldermen, and the councillors, county councillors. The county councillors are elected for three years. The chairman becomes a justice of the peace by virtue of his office.

The duties of the county council are: To make and collect the county rate, police rate, and expend the same; to borrow money; to pass the accounts of the county treasurer; to take charge of the shire-hall, county hall, assize court, judges' lodgings, court houses, justice rooms, police stations, county buildings, works, and property; to grant music, dancing, and racecourse licences; to provide and maintain county asylums for pauper, lunatics, reformatory, and industrial schools; to repair and maintain roads and bridges; to settle the fees and costs of inspectors and analysts; to appoint, remove, and pay all the county officers, except

time, as also may any five members of the council when the chairman either refuses, or ignores for seven days a requisition presented to him for that purpose signed by five members. The five conveners need not be the same as the five signatories of the requisition.

Council meetings are to be called both by notice affixed to the council offices and by summons delivered by hand or registered post to members' residences, three clear days' notice being necessary in each case. The summons must be signed by the clerk of the council, and must specify the date, time, place, and business of the meeting. The notice on the offices must state the date, time, and place of the meeting. If the meeting is called by five members, they must sign the notice and state the business, if it is convened by the chairman, he must sign the notice, but he need not specify the business. Failure to deliver the summons on any member does not invalidate the meeting.

The chairman of county council meetings must be the chairman of the county council, if he is present, but his presence is not essential. Failing him, the vice-chairman of the council must preside, if present. If he also is absent, the councillors present shall elect one of the aldermen present (if any), or failing an alderman, then one of the councillors who is present.

The quorum necessary for ordinary purposes at council meetings is one-fourth of the whole number of the council, while for the making of by-laws the quorum is two-thirds of the whole number of the council. The quorum must be present, but need not vote. Subject to the quorum being present, all acts of the council and all questions coming or arising before the council when holding a meeting under the Act may be done and decided by the majority of such members of the council as are present and actually vote. The chairman, either of a council meeting or committee meeting, has a second or casting-vote, if the voting is equal, but he is entitled neither to his first nor to his casting-vote if he is pecuniarily interested in the question. General business, *i.e.*, business prescribed by statute to be transacted at quarterly meetings, can be transacted at a quarterly meeting, even if not specified in the summons to attend that meeting, on the other hand, no business may be transacted at other than quarterly meetings, except what is specified in the summons to attend. Minutes of every meeting of the council must be kept and fairly entered in a minute book, and they must be confirmed either at the same meeting or at the next meeting, the confirmation being by signature of the chairman of the confirming meeting.

As regards procedure at meetings, county councils have statutory power to make and vary standing orders for the conduct of their proceedings, subject always to what is already provided in the Acts, as, for instance, the above regulations. In 1889 the Local Government Board issued suggestions for standing orders, and every county council has its own. By way of illustration, the following are a few provisions extracted from the standing orders of an important county in the south of England—

"The order of business at every meeting of the council shall be as follows—

"(1) The minutes of the last meeting of the council shall be read with a view to confirmation, provided that if a printed copy of the minutes has been sent three clear days previously to each member of the council, they shall be taken as read

"(2) Business expressly required by statute to be done at the meeting

"(3) Any correspondence, communications, or other business specially brought forward by direction of the chairman

"(4) Business remaining from the last meeting (if any)

"(5) Reports of committees

"(6) Notices of motion in the order in which they have been received

"(7) Any other business

"(8) On the days of the quarterly meetings of the council, the sitting shall be suspended from 1 o'clock till a quarter to two.

"Chairmen of committees shall move the reception of their reports, and shall not occupy more than ten minutes for the purpose, except in special circumstances by leave of the chairman. On presentation of a report, the first motion shall be that it be received, and each recommendation shall then be separately put to the vote. They may be put from the chair without being formally moved and seconded. Every notice of motion must be in writing signed by the member giving it. It must be given to the clerk seven clear days before the meeting, and entered in a book to be kept in his office, which book shall be open to the inspection of every member of the council. If a motion be not moved by the member who gave notice of it, or by some other member on his behalf, it shall, unless postponed by leave of the council, be dropped, and cannot be moved without fresh notice. Notice of motion to rescind a resolution passed within the preceding six months, or to the same effect as a motion negatived within that period, must be specified in the summons, and must bear the names of ten additional members, but this does not apply to motions in pursuance of the report of a committee.

"A member moving 'that the council do now adjourn,' 'that the council do now proceed to the next business,' or 'that the debate be now adjourned' may not speak for more than two minutes, and the seconder may not speak at all. In the case of the first motion, no debate is allowed, but in the case of the other two, the mover (only) of the resolution under discussion at the time is called on to speak. None of these motions may be repeated within half an hour, unless moved by the chairman. The closure motion requires not less than twenty members to vote for it before it can, even if carried, be applied. Questions shall be determined by show of hands, unless ten members demand a division, when the names for and against the motion shall be taken down in writing and entered on the minutes." (See COMMITTEES, CONDUCT OF MEETINGS.)

**COUNTY COURTS.**—Courts called "County Courts" existed from very early times, but they were not courts of record, and fell into disuse. The county courts of the present day are entirely the creation of statute, for they were first established by the County Courts Act, 1846. They are now governed by the County Courts Act, 1888, 1903, and 1904, and rules made thereunder by a Rule Committee, with the sanction of the High Court Rule Committee. The jurisdiction of the county courts has been and is being revised and extended with a view to making justice cheaper and easier to the lower and middle classes in disputes about smaller matters. The country is divided into county court districts, which are frequently grouped into circuits, the same judge then officiating for all the courts on

there is charged an additional fee of a 1s. If the claim exceeds £2, the plaintiff must file with the "precipe" particulars of his claim or demand, together with as many copies as there are parties, and an additional copy for the use of the judge. When a summons is issued, the plaintiff is handed what is termed "a plant note," which is an official acknowledgment of the fee paid, the date when the summons is returnable, and of the entry of the action. This document should be carefully kept, as it must be produced when the hearing fee is paid, and also to the court before the case comes on for hearing. Should the plant note be lost or mislaid, a fresh one can always be obtained on payment of a small fee. It must also be produced before money paid into court can be withdrawn.

The summons is under the seal of the court, and is served by a bailiff of the court, whose indorsement is sufficient proof of the service. If the summons cannot be served, a successive summons may be issued and served by the plaintiff or his solicitor. The above remarks apply also to ordinary summonses. If a default summons (*q.v.*) is required, the plaintiff must in all cases (whether the claim is above £2 or not) file particulars as previously mentioned, together with an affidavit verifying the debt. The summons is issued without leave if the claim exceeds £5, and under that amount if the claim is in respect of goods sold and delivered, or let on hire to the defendant for his trade, profession, or calling. For other cases (and, of course, always if the defendant is outside the district) leave is required, and it will only be given if the affidavit contains full particulars as to sex and condition of the defendant, nor at all if the defendant is a domestic or menial servant, labourer, etc. A default summons (*q.v.*) may be served either by the court or by the plaintiff or his solicitor. If the defendant wishes to dispute the claim, he must file a notice within eight days after service, otherwise the plaintiff may sign summary judgment. Notice of defence prevents the plaintiff getting judgment before the return day, and by this the defendant waives any irregularity in the process, *i.e.*, insufficiency of particulars, etc., and the trial then takes place in the ordinary way; if, however, the plaintiff appears and the defendant does not, judgment will be entered without further proof. The following matters are of importance prior to trial—

**Payment Into Court.** The defendant may pay into court such sum as he may think fit (and costs proportionate thereto) in satisfaction of the claim, and if payment is made five clear days before the return day (ten clear days, if claim exceeds £50), it may be accompanied with a denial of liability and then will not operate as an admission. After that period and at any time before hearing, money may be paid in, but with a denial of liability only by leave of the court. The plaintiff may accept the amount, and if he does so a reasonable time before the return day, the defendant will not be responsible for any further costs. Payment into court also obviates the defendant from costs, if it is made before the time above mentioned, and the plaintiff does not recover more than the amount paid in. If judgment is paid in after that time, the court may make the plaintiff a discretionary allowance for costs.

**Statement of Defence.** The defendant is not compelled to put in any statement of his defence, but there is a rule that he may file a statement disavowing any interest in the subject-matter in the

action, or he may deny or admit any of the statements contained in the particulars of claim, or raise any question of law on such statements without admitting the truth of them. A copy of such defence, together with as many copies as there are plaintiffs, must be filed, together with an additional one for the use of the court. The registrar must send to the plaintiff, within twenty-four hours, a sealed copy of such defence.

**Notice of Special Defence and Set-Off.** There are certain special defences which cannot be set up at the trial without the plaintiff's consent, unless defendant has given notice in writing of his intention to set up such special defence or set-off to the registrar. Such notices are filed in the manner prescribed as in the foregoing paragraph (*Statement of Defence*), and must be filed at least five clear days before the return day, but ten days clear if the claim is over £50.

**Counterclaim.** The defendant may counterclaim in respect of any matter he has against the plaintiff, even though if enforced separately, it would have been beyond the local jurisdiction of the court, and the counterclaim may exceed £100 if the items of it are under £100 each. A counterclaim must be filed like a notice of special defence. On trial, a claim and counterclaim can be disposed of, and judgment given for the balance either way.

**Contribution and Indemnity.** The defendant, if entitled to this from anyone not a party, may file a notice within the time stated above. It is served by the court on the person affected, and the matter is disposed of at the trial.

**Documents.** Full discovery and inspection of documents may be obtained by either party upon an order of the court being obtained.

**Trial and Judgment.** Parties appear personally or by solicitor or counsel, a hearing fee of 2s. in the £ being payable before the case is heard. This is reduced by one-half if the defendant does not appear, and must be paid by the plaintiff before he can sign judgment, which he may do by default, if he does not appear in an action on contract. In an action of tort, the plaintiff must prove his case whether the defendant appears or not. Judgment obtained by one party in the absence of the other may be set aside by the judge either then or at any subsequent court and a new trial granted on such terms as he shall think fit. The court may at the trial give judgment for either party or may nonsuit the plaintiff, thus leaving it open to him to bring a fresh action. The court has also power to grant injunctions. When the matter in dispute does not involve an amount exceeding £2, the registrar may adjudicate upon it by permission of the judge. Either party may have a jury, by right, if the sum in dispute exceeds £5, and the judge may allow a jury in any case if he thinks it proper to do so. The jury consists of eight persons. The privilege of trial by jury costs 8s.

Various matters connected with procedure, so far as they are necessary to be described, are referred to under separate headings.

**Enforcement of Judgments.** Judgments may be enforced in various ways, *i.e.*, by execution, by garnishee summons, or bankruptcy proceedings. Two matters consequent on judgment are, however, of particular importance, *viz.*, administration orders and judgment summonses. An administration order can be made on a debtor's application, if judgment has been obtained against him in the county court which he is unable to satisfy, and he

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Application may be made on the day of trial if both parties are present, or (on seven clear days' notice) at the first court after the expiration of twelve clear days from such day. If the judge, on such an application, misapplies law or equity, appeal lies from him to a divisional court (*q v*). If a new trial is ordered, the judge may stay proceedings pending it. An unsuccessful party has also the right to appeal from the judge's decision on a point of law or equity, or upon the admission or rejection of any evidence. Such an appeal lies of right if the subject-matter of the action exceeds £20, if £20 or under, only by leave of the judge. The appeal is to a divisional court, eight days' notice of motion (which must state the ground for the appeal) being given, and the appeal being entered within twenty-one days after the judgment, order, or finding complained of.

The County Courts Bill, which was before Parliament in 1911, proposed great changes as far as jurisdiction and appeals are concerned, but the Bill was dropped at the end of the year. It is impossible to say how far the proposed changes will become effective in the near future, but, if possible, a full note will be inserted in the appendix at the end of this work.

**COUPONS.**—As is explained under the heading of BEARER SECURITIES, interest and dividends on stocks or shares issued in this shape are collected by means of coupons, *i e*, warrants attached to the bond or bearer share which have to be cut off on the due date and presented to the company or paying bank for encashment. Where interest is payable at fixed dates, the date of payment is imprinted on each coupon, where it is uncertain, as in the case of the ordinary shares of mining or other companies not paying regular dividends, the dates of payment are announced by advertisement. In presenting coupons for payment, it is customary to fill up a listing form (see specimen on page 443) and to leave the coupon at the paying office three

or four days for examination, after which amount due less income tax, is paid out.

**COUPON SHEET.**—A connected series of given in advance with transferable bonds, that they may be cut off from time to time presented for payment as the dividends. The last portion of a coupon sheet is a certificate, called a "talon," which can be used for a further series of coupons as soon as the coupon sheet have all been presented.

**COURSE OF EXCHANGE.**—This is the name of the price list of bills, drafts, and estimated in the currencies of foreign countries compiled on Tuesdays and Thursdays of each week by the principal bill brokers, who meet at the Royal Exchange, London. It is as soon as business is over for the day, generally about 3 o'clock.

Below will be found the Course of Exchange for Tuesday, November 28th, 1911, which will be an example.

In this table, the word "Usance" means the time that must elapse before bills or drafts are payable, "Short" means up to eight or ten days. Under the heading "Price," the first quotation is for fine bank acceptances, the second for commercial bills.

**COURT OF CASSATION.**—(See CASSATION COURT or)

**COURT OF RECORD.**—A court of law in which judgments are kept or recorded, and of which judgments prove themselves on production. A judgment which is pronounced by a court of record stands until it is set aside by a superior jurisdiction. The following are courts of record. The High Court, courts of assize, quarter sessions, the Mayor's Court, county courts, and various minor courts. Petty sessions, *i e*, the ordinary police courts, are not courts of record.

**COURT OF SESSION.**—This is the Court of law in Scotland corresponds to the High Court of England. It dates from 1532, and

COURSE OF EXCHANGE		PRICE		EXPLANATION	
On	Usance	From	To		
Amsterdam	short	12 2½	12 3½	=	Florins and stivers for
"	3 months	12 5	12 5½	=	" "
Rotterdam	"	12 5	12 5½	=	" "
Antwerp and Brussels	"	25 5½	25 5½	=	Francs and centimes for
Paris	short	25 18½	25 23½	=	" "
"	3 months	25 40	25 45	=	" "
Marseilles	"	25 40	25 45	=	" "
Hamburg	"	20 70	20 74	=	Reichsmarks and pfennigs
Berlin	"	20 70	20 74	=	" "
Leipsic	"	20 70	20 74	=	" "
Frankfort	"	20 70	20 74	=	" "
St Petersburg	"	25	25½	=	Pence for 1 rouble
Copenhagen	"	18 46	18 50	=	Kronors and öre for £1
Stockholm	"	18 47	18 51	=	" "
Christiania	"	18 47	18 51	=	" "
Vienna	"	24 38	24 42	=	Crowns and hellers for
Trieste	"	24 38	24 42	=	" "
Zurich-Basel	"	25 52½	25 57½	=	Francs and centimes for
Spain	"	43½	43½	=	Pence for 1 peso
Italy	"	25 65	25 72½	=	Lire and centesimi for
Lisbon	90 days	46	46½	=	Pence for 1 milreis
Oporto	"	46	46½	=	" "
New York..	demand	49½	49½	=	Pence for 1 dollar

is, perhaps, the smallest part of it, yet even this is incalculable." The first act of a society which is making progress is to break the shackles imposed by the necessity of completing each transaction at the moment—to pass from a ready-money to a credit system.

The most striking application of the principle of trust or credit is in the case of money. Adam Smith's ingenious comparison—more appreciable now that the fanciful image has been realised than when he made it in 1776—falls far short of reality. He likens credit to a road made in the air, so that the land formerly occupied by roads becomes available for corn or pasture, but, if we would continue the simile, the portion of fresh soil made disposable for productive purposes becomes many times the whole of the former area: the work done by the various economising expedients to which credit gives birth many times surpasses all the work before accomplished by metallic money. Later economists go so far as to place alongside the three traditional agents of production—Labour, Capital, and Land—a fourth, Organisation, and of Organisation the main part is the wonderful structure which we call the money market. A temporary stoppage of the smooth working of the cunning mechanism built by the brains of financiers, would occasion a calamity as far-reaching in its evil results as that caused by a general strike of all workers, skilled and unskilled. If anything can be said to have the magical power of creating something out of nothing, it is *faith*, intangible yet powerfully operative, pervading the trading community.

Much controversial skill, and a great deal of ill-temper have been expended on the question whether credit is capital or not. If we admit that unemployed capital is not productive capital—that funds lying idle, land unoccupied, tools and machinery rusting, stores of food unconsumed, cannot be regarded as present wealth used to produce future wealth—we must grant, not only that credit is capital, but also that the larger portion of the productive resources of a community consists of credit. The best asset a man can have in his business is the trust reposed in him, that is, his reputation for promptly meeting his obligations.

The trader or producer who employs solely or mainly his own capital is, in our country at any rate, becoming more and more of a rarity. The days of "merchant princes" are gone, these are everywhere undersold and eradicated by "new" men, who, operating largely on borrowed capital, are well content with a smaller rate of profit. The business of the country is in the hands of men who, from their attested reliability in money matters, from the faith which men have in their industrial or professional skill, can obtain control over the wealth of the country. Scattered in small parcels throughout the extent of the land, this "wealth"—the claims acknowledged by society to a share of the products in the world—is not "power", garnered into banks and made available in effective quantities, it gives a tremendous impetus to the wheels of the producing machine. As the classic on banking—*Lombard Street*—puts it: "Much more cash exists out of banks in France and Germany than could be found in England or Scotland, where banking is developed; but that is not, so to speak, 'money-market money,' it is not attainable, but the English money is 'borrowable' money. Our people are bolder in dealing with

their money than any other Continental nation, and even if they were not bolder, the mere fact that their money is deposited in a bank makes it far more obtainable. A million in the hands of a single banker is a great power, he can at once lend it where he will, and borrowers can come to him, because they know or believe that he has it, but the sum scattered in tens and fifties through a whole nation is no power at all: no one knows where to find it, or whom to ask for it. Concentration of money in banks, though not the sole cause, is the principal cause which has made the Money Market of England so exceedingly rich, so much beyond that of other countries." And the material point has not yet changed.

No country in the world equals, or nearly equals, Britain in its possession of this great advantage. In no other country does the postulate of political economy, that capital flows to where it can be most profitably employed, hold good to so high a degree, and the assumption is here realised, not merely speedily, but instantaneously. No sooner does a special trade or industry appear to hold out hopes of more than ordinary profit, than the bill-cases of bankers and brokers are filled with bills drawn in that trade or industry, and capital immediately rushes to share in the anticipated gains. The most important and beneficial function of banks is to perform the office of middleman between those who save and those who are eager to employ the savings in profitable ways, and between the producers of goods and those who will quickly send the goods a stage nearer the consumer.

In a state of "division of labour," the two chief requisites for "good" times—times when all classes are amassing great profits—are—

(1) There should be as little delay as possible in exchanging goods for one another.

(2) The producer should speedily, certainly, and without difficulty, be able to find those who want his goods.

When credit is unimpaired, the bankers and bill-brokers by their discounting of bills ensure these two requisites, and when they are fulfilled, everyone is profitably occupied, and wealth flows over the country—to wage-earners and capitalists alike—in a spring tide. By means of the intangible property, in virtue of which the members of a civilised community trust one another, the productive forces of that community are increased tenfold. We are first in the world of commerce and industry more from this than from any other single cause, and our advantage in this respect we do not appear likely to lose.

The great, the immense, benefits we derive from being able to dispense so largely with the use of cash are bought with a price. The various effects are freely taken in lieu of money, because the receiver has implicit confidence that he can, at will, obtain gold for the effect, and, so long as an extremely small proportion of the receivers ever test their ability to do so, the confidence is justified. All the cheats of an insurance house do not die at once, nor do all the creditors of the banks seek the settlement of their claims in gold at the same moment. But the number of those who do so seek the liquidation of their claims is not, as is the case with the drain on the funds of the insurance company, a steady and calculable one. On the contrary, it is extremely fluctuating, and in times of "panic" or "crisis" it may well seem to the bank directors that all their customers are





is to be held not later than fourteen days after the receiving order, and seven days' notice of it is to be given by advertisement in the *London Gazette* and a local paper, and separately to each creditor, together with a summary of the debtor's affairs. The omission of such notice or summary does not invalidate the proceedings at the meeting. The official receiver must give three days' notice of the meeting to the debtor, who must attend. The place must be convenient. The chairman at this, the first meeting, shall be the official receiver, or some one nominated by him, at subsequent meetings the chairman shall be such person as the meeting by resolution appoints.

As regards subsequent meetings, one may be summoned at any time by the official receiver or trustee, and he must do so whenever directed by the court, or requested in writing by a creditor, with the concurrence of one-sixth in value of the creditors, including the creditor making the request. Such creditor, however, must deposit an amount to cover the cost of summoning the meeting, which amount may or may not be refunded to him. These subsequent meetings are summoned by notice to each creditor.

A creditor may not vote at a creditors' meeting unless he has proved his debt, and the proof has been lodged with the official receiver within (in the case of the first meeting) the time specified in the notice convening the meeting, which time must be between noon of the day but one before the meeting and noon of the day before the meeting. A proof to be used at an adjournment of the first meeting, if not lodged in time for the latter, must be lodged not less than twenty-four hours before the adjourned meeting. A secured creditor who retains his security must assess it, and can only vote in respect of the balance due to him after deducting its value, if he votes for the whole amount of his debt, he is considered to have surrendered his security, unless he satisfies the court of inadvertence. The chairman of a creditors' meeting may admit or reject proofs for voting purposes, subject to appeal to the court. Voting may be either in person or by proxy, and both general and special forms of proxy must be enclosed with the notice of meeting sent to creditors. A special proxy is an authority to act at a particular meeting for or against a specific matter. Proxies signed either by the creditor or by an employee of his having general authority (which may have to be produced to the official receiver) must be lodged with the official receiver or trustee not later than 4 o'clock on the day before the meeting. Proxies must be in the prescribed form, and every insertion in it must be in the writing of the creditor or of his regular employee, or of a commissioner to administer oaths. The official receiver may be appointed either a general or special proxy. A general proxy may be given to the creditor's regular employee, but it must state the relationship between them. A general or special proxy may not be used by any person to vote for a resolution which would directly or indirectly place himself, his partner, or employer in a position to receive any remuneration out of the debtor's estate otherwise than as a creditor rateably with the other creditors. But a person holding special proxies to vote for the appointment of himself as trustee may use such proxies and vote accordingly, any solicitation by a trustee or receiver in obtaining proxies, or in procuring his appointment as trustee or receiver, may involve such person in deprivation of his remuneration.

The chairman of a creditors' meeting may, with the consent of the meeting, adjourn it from time to time and from place to place. If not specified in the resolution, the adjourned meeting is to be held at the same place as the original meeting.

The quorum of a meeting is the presence or representation of at least three creditors entitled to vote, or all the creditors, if their number does not exceed three. It has been decided that one creditor who alone had proved and was present at the first meeting of creditors might form a quorum at that meeting (*In re Thomas, Ex parte Warner*, May 1st, 1911).

Without the necessary quorum the only business that may be transacted is the election of chairman, proving of debts, and adjournment of the meeting. Failing a quorum within half an hour from the time appointed for the meeting, the meeting must be adjourned to the same day, time, and place in the following week, or to such other day as the chairman may appoint not less than seven days nor more than twenty-one days after. Failing a quorum at the first meeting or one adjournment of same, the court may, on the application of a creditor or of the official receiver, forthwith adjudge the debtor bankrupt.

The chairman of every meeting must see that minutes of the proceedings thereat are drawn up and fairly entered in a book kept for that purpose; and the minutes shall be signed by him or by the chairman of the next ensuing meeting. Minutes appearing to be so signed are received in evidence without further proof, and, until the contrary is proved, the meeting is deemed to have been duly convened and its business to have been duly transacted.

The procedure at creditors' meetings, except as provided above, follows the customary rules of debate. (See CONDUCT OF MEETINGS, DUTIES OF CHAIRMAN.)

**CREDIT SALES.**—Sales for which the time of payment is deferred or postponed. The purchaser is entered in the vendor's books as a debtor, and the price of the goods is a book debt.

**CREDIT SLIP.**—The form which is filled up and signed by a customer of a bank when paying in to the credit of a current account. It should be dated by the customer for the day on which the payment to credit is handed across the counter, or, if sent by post, the date of its despatch.

A credit slip should show how the amount is made up, in gold, silver, copper, notes, cheques, or bills. These slips are usually supplied by the various banks for the use of their customers, either singly or in a special book, which is known as the "paying-in" book.

Another name for a credit slip is "paying-in slip."

**CREMATION.**—(See BURIAL.)

**CREOSOTE.**—A name originally confined to the oily liquid obtained from the destructive distillation of wood, but now extended to similar substances resulting from the distillation of coal tar. Wood creosote is antiseptic, and is used medicinally in cases of toothache, etc. Coal tar creosote is more important commercially, chiefly on account of its preservative properties, which make it valuable for the preservation of such diverse articles as meat and timber. It is particularly employed to prevent the decay of railway sleepers.

**CRETE or CANDIA.**—(See TURKEY.)

**CRETONNE.**—Strong printed cotton fabrics of

he may transfer it to a holder in due course (*q v*). The holder is entitled to the money represented by the cheque, and if he cannot obtain it from the bank by reason of its being stopped, he may sue the drawer upon it. And the drawer has no defence unless he can show that the holder is not a holder in due course. Again, the cheque may be lost or stolen in the post. As to who is the loser depends upon whether the post is the agent of the sender or of the person to whom the cheque is sent (See POST OFFICE AS AGENT). But any person who becomes a holder in due course (*q v*) has a title against the world, unless the cheque is payable to order and the thief forges the indorsement of the payee. The holder has then no title since he has taken under and through a forged indorsement. He may, however, get the money from the bank, if the cheque is open, and the banker upon whom the cheque is drawn is never liable for paying under the forged indorsement unless he has been ordered to stop payment. The true owner must then seek out the holder, and sue him for the return of the amount of the cheque. It is obvious, however, that great difficulties would arise before restitution could be brought about.

It was to avoid losses arising through cheques getting into the hands of wrong parties that the custom of crossing was introduced. The remedy is not infallible, as will be seen directly, but the fact of a cheque being paid through a banker instead of over the bank counter makes it less easy for frauds to be committed, and more easy for them to be detected when they have been completed. As was said in one case, the crossing operated as a caution to the banker. The mere crossing of a cheque in no wise affects the negotiability of the instrument, it simply affects the mode of payment. The holder in due course has a perfect title to it. Two statutes passed upon the subject have been repealed by certain sections of the Bills of Exchange Act, 1882, and the law as to crossed cheques is contained in Sections 76 to 82 of the Act.

A cheque is crossed generally when it bears across the face of it an addition of (*a*) the words "and Company," or any abbreviation thereof, *e g*, "and Co.," between two parallel transverse lines, either with or without the words "not negotiable", or (*b*) two parallel transverse lines simply either with or without the words "not negotiable". A special crossing is constituted when, in addition to the above, the name of a banker is written on the face of the cheque. A cheque is then crossed specially to that banker (Sect 76). It is to be observed that the provisions of the Act as to crossed cheques apply to dividend warrants, and also to "any document issued by a customer of any banker, and intended to enable any person to obtain payment from such banker of the sum mentioned in such document." In practice also post office orders and postal orders are frequently crossed, and then payment of them cannot be obtained except through a banker.

In practice, unless he is particularly requested not to do so, as when cash is required at once from the bank, the drawer crosses the cheque before issuing it, and he may cross it generally or specially. If he omits to do so, the holder may cross it, either generally or specially, and if the drawer crosses it generally the holder may cross it specially. Either drawer or holder may also add the words "not negotiable". Again, when a cheque is crossed specially, the banker to whom it is crossed may

again cross it specially to another banker for collection, and where an uncrossed cheque, or a cheque crossed generally, is sent to a banker for collection, he may cross it specially to himself (Sect 77). The crossing authorised by the Act is a material part of the cheque, and it is unlawful for any person to obliterate or to add to or alter the crossing, except as above stated (Sect 78). It must be remembered that by Section 64 of the Act no material alteration, without the assent of all parties, avoids the cheque except as against the party who has himself made, authorised, or assented to the alteration, and all subsequent parties; but if the alteration is not apparent, and the cheque gets into the hands of a holder in due course, such holder is in no way prejudiced by such alteration. If the alteration or the obliteration of the crossing is done for a fraudulent purpose, it constitutes a forgery. Many firms have the cheques crossed by means of printing, and issue open cheques at all. Bankers also will often, on request, issue cheque books containing cheques which are crossed generally. A payee may, however, make a special request for his own convenience that the cheque shall not be crossed, and the drawer sometimes accedes to the request by striking out the crossing, adding the words "pay cash," together with his signature or initials. This is an irregular method of procedure, but it does not appear have been judicially questioned.

Two transverse lines are sufficient to constitute a crossing, but the common practice is to cross a cheque generally by drawing the two transverse lines and writing the words "and Co.," or "& Co." between them. If the crossing is a special one, the lines are drawn as before, and the name of the bank written between, thus "X & Y Bank".

On the next page are given the common forms of crossing. The words "not negotiable" and "account of payee" will be explained later.

The duty of a banker as to crossed cheques, omitting for the moment all reference to those which are marked "not negotiable," is set forth in Sections 79 and 80 of the Act as follows—

"(1) Where a cheque is crossed specially more than one banker, except when crossed to an agent for collection, being a banker, the banker on whom it is drawn shall refuse payment thereof.

"(2) Where the banker on whom a cheque is drawn, which is so crossed, nevertheless pays to the same, or pays a cheque crossed generally otherwise than to a banker, or if crossed specially otherwise than to the banker to whom it is crossed, or his agent for collection being a banker, he is liable to the true owner of the cheque for any loss he may sustain owing to the cheque having been so paid. Provided that where a cheque is presented for payment which does not at the time of presentment appear to be crossed or to have had a crossing which has been obliterated, or to have been added to or altered otherwise than as authorised by this Act, the banker paying the cheque in good faith, and without negligence, shall not be responsible for incurring any liability, nor shall the payment be questioned by reason of the cheque having been crossed, or of the crossing having been obliterated, or having been added to or altered otherwise than as authorised by this Act, and payment having been made otherwise than to the banker or to the banker to whom the cheque

or was crossed, or to his agent for collection being a banker, as the case may be."

Section 80 is as follows—

"Where the banker, on whom a crossed cheque is drawn, in good faith and without negligence pays it, if crossed generally, to a banker, and if crossed specially, to the banker to whom it is crossed, or his agent for collection being a banker, the banker paying the cheque, and, if the cheque has come into the hands of the payee, the drawer shall respectively be entitled to the same rights and be placed in the same position as if payment of the cheque had been made to the true owner thereof."

The banker has the same protection as before in cases of forged indorsements, though he must take the risk of his customer's signature being correct. But if he deals with the cheque in any other manner than that authorised by the Act, his protection is gone, and any loss which ensues must fall upon him.

It is impossible to make the provisions of these Sections clearer by any other means than illustrations. A draws a cheque upon the X Bank, B is the payee of the cheque. It is crossed generally. B receives the cheque and indorses it. It cannot be paid over the counter, it must go through a banker. B pays the cheque into his own banking account at the Y bank. The cheque is collected through the Clearing House, and the amount is credited to B's account, A's account being debited at the X bank. This is the most general and ordinary way in which the transaction is carried out. Either A or B may cross the cheque specially to the Y bank, and the same result will happen, and if it is specially crossed to the Z bank, the Z banker will cross it again to the Y bank for collection. Now, it is necessary to see what is the position of the various parties when any irregularity arises. First as to the drawer. Unless A himself, or his duly authorised agent, draws the cheque, he cannot be debited with the amount of it by his own banker, if such a cheque happens to get paid, nor can any holder of the cheque have any right to retain it or claim upon it, but if the cheque is correctly drawn, and is given in payment of a debt, A is released as soon as the cheque gets into the real or constructive possession of B, the payee. If it is handed to B, or B's agent for B, there can be no doubt as to the transfer. If, however, it is handed to A's agent, there is no transfer until the agent has completed his work and given the cheque to B. Suppose, now, that in the course of transfer the cheque is lost or stolen. If it is payable to B or order, the indorsement of B must be placed upon it, and if any indorsement is placed there and is not B's, it is a forgery, unless B has authorised some other person to indorse it on his behalf. How, then, does the thief or the finder stand? He cannot give any title to the cheque, since there is none through a forgery. If, through ignorance of the fact of the theft or loss, the cheque is not stopped and the thief or finder has a banking account, the cheque may be paid through that account and the money eventually withdrawn, but the true owner of the cheque can on discovery recover the amount from the fraudulent payee—if he can find him. Against the X Bank, however, he has no remedy. The bank has paid under a forged indorsement, it is true, but so long as the payment has been made without negligence, and in good faith, and to the specially named banker, if the cheque was specially crossed, there is no liability resting upon him (Sect. 60). If there is

no recovery of the money possible from the person who has obtained payment, it is the drawer or the payee who must bear the loss—the drawer if the cheque has not been transferred, the payee if it has come into his possession, real or constructive. It is much more likely, however, that a thief or finder of a cheque will endeavour to negotiate it by some other means than through a bank, the chances of discovery being rather too formidable. His efforts will be directed towards getting a tradesman or other person to cash it for him. If the cheque is diverted, by theft or loss, before it gets into the hands of the true payee B, whether it is constructively in B's possession or not so as to exonerate A, the forged indorsement is still a necessity, and, therefore, no person can acquire a title through it. The tradesman may take the cheque in good faith, and give full value for it, and afterwards pay it through his bank, but he will be the loser. The true owner, A or B, can claim restitution from him. He never had any legal right to the cheque or to its proceeds. The bank is specially exonerated by the statutes, the tradesman not. The tradesman can never get a title through a forgery. The latter must derive what consolation he can from his knowledge that he has a remedy over against the person from whom he took the cheque—criminal or otherwise—if he can manage to find him, but if the cheque had been lost after it had come into possession of the payee B, and after B had placed a genuine indorsement upon it, the whole position is changed, and it is B who is the loser in every sense. The cheque is a negotiable instrument, complete in form, and although a thief might find the consequences serious for himself in the long run, he can give a good title to it. Neither the tradesman who cashes nor the banker who pays can be held liable for anything. The former has become a holder in due course, the latter has always his statutory exoneration, though he must be able to show, if necessary, that there has been no negligence on his part, that he has acted in good faith, and that the payment of the cheque has been made strictly in accordance with the crossing, that is, to some banker if the cheque is crossed generally, to the banker named if the cheque is crossed specially, or to the banker who is agent for collection if the names of more bankers than one appear on the cheque. It is not difficult to see what is the result as far as all parties are concerned when a cheque, instead of being paid into a bank at once, is negotiated to a third party by the payee. If it is in order in all respects, and if there has been no forgery of any indorsement, both the holder in due course and the banker are in the same position as before. Of course, if the cheque is payable to bearer or has been generally indorsed, there is nothing to be feared at all. Enough has been said to show that the crossing of a cheque does not give absolute security, but the fact of being able to trace the persons through whose hands it has passed before being paid by the banker upon whom it is drawn goes a long way towards helping the true owner to obtain restitution under certain circumstances.

So far, the position of the paying banker—the banker upon whom the cheque is drawn—has been considered, and it has been seen that, excepting the risk as to forgery of the drawer's signature, he is practically freed from all chance of liability so long as he acts with proper prudence and in good faith. It is now necessary to notice the position of the

possible, and are an expansion of Section 81 of the Act, which runs as follows—

"Where a person takes a crossed cheque which bears on it the words 'not negotiable' he shall not have and shall not be capable of giving a better title to the cheque than that which the person from whom he took it had"

It will have been observed that there are many risks run by tradesmen who cash cheques to oblige their customers, unless they happen to be well acquainted with them, and so can recover from them in case of any loss arising. To cash a cheque for a stranger is a foolish action. Firstly, there is the risk as to the signature of the drawer being a forgery; secondly, there is a like risk as to the indorsement of the payee, and, lastly, if the cheque is marked "not negotiable," there is the added risk that the transferor has a defective title, that is, that he is not a holder in due course. In any of these cases the tradesman must lose his money, and his chances of reimbursing himself for his loss will be practically nil, but if none of these difficulties arise, any person who has a cheque marked "not negotiable" in his possession may negotiate it in the same manner as any other cheque. It is scarcely necessary to add that the words "not negotiable" can only be added to a crossed cheque. If they are placed upon an open cheque they may be ignored. They do not make the cheque not negotiable. (See ACCOUNT OR PAYEE, MARKED CHEQUE.)

**CROSS MULTIPLICATION.**—(See DUODECIMALS.)

**CROTON OIL.**—A thick, brownish oil, with a rancid odour and hot, biting taste. It is expressed from the seed of an East Indian plant, the *Croton Tiglium*, and is useful in pharmacy as an extremely powerful purgative, the dose being limited to one drop, owing to the poisonous properties of the oil. A strong liniment, valuable for certain cases of internal inflammation, is prepared by mixing the oil with alcohol and castor oil. The West Indian *Croton eleuteria* is the source of cascarrilla bark (*qv*).

**CROWN GLASS.**—(See GLASS.)

**CROWN PIECE.**—This is a British coin of the value of 5s, or one-fourth of a £. Its standard weight is 436.36363 grains troy, and its standard fineness is thirty-seven-fortieths fine silver and three-fortieths alloy. The crown piece was first coined about the middle of the sixteenth century. (See COINAGE.)

**CRUCIBLES.**—Open vessels, usually of fireclay, used for fusing metals, glass, etc. They must, of course, be made of an infusible material, which will remain unsoftened by the contents. Fireclay, either alone or mixed with plumbago, resists all but the highest temperatures. Platinum, porcelain, gold, silver, iron, carbon, and lime are other substances from which crucibles for special purposes are manufactured.

**CRYOLITE.**—A greyish mineral found in large deposits on the west coast of Greenland and to a less extent in the Ural Mountains. It is a double fluoride of aluminium and sodium, and was once the principal source of aluminium. It is now used in the manufacture of glass, but chiefly in the production of alum and caustic soda.

**CUARTILLA, CUARTILLO.**—(See FOREIGN WEIGHTS AND MEASURES—SPAIN.)

**CUBA.**—This is the largest island of the West Indies, and is situated at the entrance to the Gulf of Mexico, and separates that gulf from the

Caribbean Sea. From the time of its discovery by Columbus until 1898 it was a Spanish possession, but in that year it was ceded to the United States on the conclusion of the Spanish-American War. Four years later, Cuba was constituted into a republic, subject to certain limitations, but in 1906 the United States interfered on account of internal disorders, and American troops occupied the island until 1909, when a second attempt was made at self-government.

The area of Cuba is a little over 44,000 square miles, and the population is rather less than 2,200,000. About 30 per cent. of the inhabitants are negroes or mulattoes. Its greatest length is 730 miles, and its breadth varies from 20 to 90 miles.

**Relief.** A range of mountains runs right across the island, though the elevation is not great except in the eastern portion, where Turquino Peak—Pico del Turquino—attains a height of 8,400 ft., and forms a prominent landmark. There are practically no rivers.



**Productions.** Tobacco and sugar are the principal products of Cuba, the former being specially renowned, and, with the exception of the work connected with these articles, there are no manufactures carried on. Tropical fruits are being raised and exported in increasing quantities, and there is a growing timber trade, the forests of ebony and mahogany being very extensive. The minerals are another source of profit, and iron, manganese, and copper are exported, as much as 50,000 tons per month of the first-named being shipped to the United States. The imports consist almost entirely of manufactured goods. Owing, undoubtedly, to the political connection of a few years ago, the major portion of the foreign trade of Cuba is with the United States.

The communications in the island were very bad until the introduction of railways, as there are practically no roads worthy of the name. At the present time there are about 2,500 miles of railways open.

**Towns.** Havana, the capital, is a splendid city on the Strait of Florida. It is noted for its cigar and tobacco factories. The population is a little over 300,000.

Santiago is the second city, situated on the south

are issued by various American railway companies, the principal and interest of which are repayable in the currency of the United States, *i.e.*, the bonds may be repaid in paper, silver, or gold

**CURRENCY CERTIFICATES.**—These are certificates which are issued to bankers and other persons by the Treasury of the United States against the deposits of Treasury and Government Notes

**CURRENCY OF BILL.**—This is a commercial term used to signify the period between the date upon which a bill is drawn and that upon which it becomes payable. In the case of a bill at sight (*q.v.*), the currency begins to run from the date of the acceptance of the bill. In the case of a bill drawn after date (*q.v.*), the currency begins to run from the date of the bill

**CURRENT ACCOUNT.**—(See ACCOUNT, CURRENT)

**CURTESY.**—This is the name of a peculiar kind of interest which a husband possesses in the real estate of his deceased wife, supposing the wife has died intestate, *i.e.*, without making a will. Under certain circumstances, the surviving husband is entitled to receive the rents and profits arising out of her freehold lands during his own life. This estate, called the "estate by the curtesy of England," can only arise if the husband has had by his wife a child born alive who actually does or who might have inherited the estate. The two points to be observed are these: The wife must not have disposed of the estate by will, and there must have been a child capable of inheriting, though it is quite immaterial whether the child is alive or dead, so long as there was at any time a child capable of inheriting, that is sufficient. In the case of copyholds (*q.v.*), the right to this curtesy estate only arises by special custom. (Compare DOWER, FREEBENCH)

**CUSTODIAN TRUSTEE.**—(See PUBLIC TRUSTEE)

**CUSTOM AND USAGE.**—There is no doubt that much of the law of England, as is also the case in other countries, is the outcome of customs and usages which came into vogue when the common law (*q.v.*) was as yet unfixed, and custom and usage have played a great part in the moulding of mercantile law (*q.v.*). At the present day the customs and usages of the different classes of the community have still great weight, and if they can be shown to be of general acceptance amongst the people to whom they refer, judicial notice will be taken of them, and they will obtain the force of law. If a custom is accepted in all parts of the country it becomes a portion of the common law. If it is accepted in a limited locality, it is an exception to the common law. In order to establish a custom it must be shown to be of general force in the locality to which it is endeavoured to apply it, and to have been relied upon and acted upon for immemorial time. A custom must be, as it is said, "a reasonable act, iterated, multiplied, and continued by the people from the time whereof memory serves not," or, in other words, it must be "ancient, reasonable, certain, and have been continually and peaceably enjoyed." No custom will be upheld if it is unreasonable or uncertain, and if there is anything about it which savours of arbitrary power it cannot be maintained. The best illustrations are the customs of gavelkind (*q.v.*), borough English (*q.v.*), manors, markets, fairs, etc. No custom, however, can vary or alter any contract evidenced by a document in writing, unless, besides having the necessary ingredients of certainty and

immutability, it is one that is well known to all the parties to the contract

A trade usage is a kind of custom which prevails amongst traders and merchants, and is one of the bases upon which business is conducted. It must be reasonable and not repugnant to the law of the land, but it differs from a custom in this respect, that it does not require the consecration of antiquity. It is sufficient to show that the usage is generally acquiesced in by the vast majority of the persons concerned with it, and if this is proved the usage will be recognised and enforced in a court of law. The chief difficulty in connection with a usage is its proof, but this is a matter of legal practice with which this work has no concern

**CUSTOMER, BANKING.**—The most ordinary meaning of this term is a person who has a current account with a bank. But by Section 82 of the Bills of Exchange Act, 1882, it is provided that where a banker collects a cheque, crossed generally or specially to himself, for a customer, the banker is protected, if he has acted in good faith and without negligence, even if an indorsement should prove to be a forgery. The person for whom it is collected must, however, be a customer. It has been decided judicially that in order to make a person a customer of a bank within the meaning of the Section, there must be in existence either a deposit or a current account, or some similar relationship

When money is paid into a bank by a customer, it is really lent to the banker, and the banker becomes, not the trustee for the money, but the debtor of the customer. If the banker was held to be a trustee, he would be compelled to render an account of all the profits made by him with the moneys deposited at his bank. Such a state of affairs would render modern banking an impossibility. In the event of the banker's failure, the customer claims upon the estate of the banker as an ordinary creditor. As such he has a preference over all the shareholders of the bank

**CUSTOM HOUSE.**—The place appointed by the Government of a country for the imposition and collection of duties upon the importation of certain commodities

**CUSTOMS BILLS OF ENTRY.**—Daily lists issued in the United Kingdom by the Customs' authorities (to merchants and others subscribing), containing a summary of British shipping, useful for general information

Bill "A" shows the ship's reports inwards, and contains a full list of the cargo in each of the different boats, classed under the various ports at which the vessels have arrived

Bill "B" shows the exports, imports, and general shipping in the country. It gives a full list of all exported and imported goods, classed under their different headings, and enumerates the various ships arrived, those loading, and those leaving port

**CUSTOMS DEBENTURE.**—A certificate issued by the officers of customs that certain goods entitled to drawback have been entered and shipped for exportation. On it the exporter declares, in the presence of the official through whom the money is paid, that the goods have been actually shipped, and are not intended to be re-landed in the United Kingdom, and that he is entitled to the drawback claimed

**CUSTOMS DECLARATION.**—The sender of every parcel by post to or from the Channel Islands, any British colony or foreign country, is required to make out a Customs Declaration on a form provided for that purpose. This form must contain an

\* SPECIFICATION for British and Irish Goods only.Port of Liverpool.Ship's Name RangerC James, Master, for Hong KongDate of Final Clearance of Ship 17th Nov, 1911

\* The Specification of Goods exported must be delivered to the proper Officers of Customs within six days from the time of the final clearance of the Ship, as required by the Customs Laws

Marks	Nos	Number and Description of Packages	Quantity and Description of British and Irish Goods, in accordance with the requirements of the Official Export List	Yards T	C	Q	Pounds	Value * (f o b) £	Final Destination of the Goods
A B	28	1 Case	Grey Cotton Yarn				660	48	China
							TOTAL		

\* The "I. o. b.," or free on board, value should be given.

I declare that the particulars set forth above are correctly stated

Dated 23/11/11

Per

Signed) Smith & Barlow, Agents,  
A. Firth(Countersigned) . . . . .  
Officer of Customs

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\* SPECIFICATION for Foreign Goods free of Duty, or on which all Duties have been paid.Port of Liverpool.Ship's Name RangerC James, Master, for Hong KongNo 30 (Sale)

\* The Specification of Goods exported must be delivered to the proper Officers of Customs within six days from the time of the final clearance of the Ship, as required by the Customs Laws

Marks	Nos	Number and Description of Packages	Quantity and Description of Foreign Goods, in accordance with the requirements of the Official Import List	Pounds	Country whence Goods were consigned when imported	Value * (f o b) £	Final Destination of the Goods
C D	3/1	2 cases	Flour	336 lbs	Austria	25/-	China
							TOTAL

\* The "I. o. b.," or free on board, value should be given.

We declare that the particulars set forth above are correctly stated  
(Signed)

Dated 23rd Nov, 1911Per Smith & Barlow  
A. Firth,(Countersigned) . . . . .  
Officer of Customs

In order to verify any particulars given when clearing goods, the Customs authorities are empowered by law to call upon the exporter to produce invoice or other proof appertaining to the description, quantity, value, or origin of the goods. If any discrepancy or inaccuracy is then discovered it is optional for the Customs to inflict a fine of not exceeding £5 for each offence.

The Customs authorities can also call upon a shipowner or shipowners to produce a list of all the goods shipped by any of his or their steamers. This is called the Customs Manifest, and, as will be seen from the facsimile here given, this manifest goes very fully into details. It is used for comparison with the specifications, and, as in the case or when an invoice has been produced, any discrepancy found makes the responsible party liable to the fine as mentioned previously.

**Imports. Free Goods.** These form the greater proportion of merchandise imported into Great Britain owing, of course, to the fact that this country is a free trade country.

As in the case of exports, imported goods have to be declared to the Customs under heading prescribed by them. For this purpose, reference is necessary to the Import List and Appendix, which, as in the case of the Export List, may be obtained from a legal stationer at any port. The form used is known as a free entry, and on p. 463 is given a facsimile of one.

These Free Entries must be lodged in duplicate, and each copy must be indelible. A separate entry is required in each case for goods coming under the category of corn and grain, farinaceous substances, cattle, and bullock.

The following is a list of goods upon which importation is prohibited: Books of British copyright (unless the copyright has lapsed), clocks and watches, etc., bearing the British assay marks or purporting to be of British manufacture; false or counterfeit money, same, of course, not being of the British standard.

Dogs (unless licensed), and then only after having had six months in quarantine; infected cattle; tobacco (under certain conditions); indecent or obscene literature and prints, etc.; matches made with white phosphorus.

The following goods are only allowed to be imported under certain defined conditions: Nitro-glycerine (as defined by the Explosives Act, 1875), "parks" (under certain conditions), tobacco (under certain conditions), arms and ammunition, hay and straw from various countries, counterfeit postage stamps, fraudulently caught, lottery advertisements, etc.

The following list of duties, therefore, is accurate for the whole of the year 1912, and the Finance Act of each year must be watched in order that there may be a true knowledge attained at any particular date subsequent to the year.

Rate of Duty.	
For the containing sugar or any other substance in solution	per cent 0 0 5
(If there is any proof of it contained therein, the duty on such spirit is charged on addition.)	
For and Ale the Water of which were before the year 1850, of a specific gravity of 1.055	Per cent of the value 6 8 2
and for any other proof of any other substance in solution	

PORT OF Liverpool.		Master C James		1911	
Customs Manifest of the Ranger for Hong Kong		cleared 17th Nov.			
Number of Bill of Lading.	Shippers	Marks and Numbers	Number and Description of Packages	Weight of Goods in Bulk	
				Tons Cwts Qrs	Lbs
1	J Claude & Co	J B 28	1 case Cotton Yarn	5	1
2	C Duncan & Son	C D 3/4	2 " Flour	3	1

Declaré the above to be a correct account of the Cargo in accordance with the provisions of "The Revenue Act, 1884"

(Signed) Smith & Barlow  
A. Firth.



## List of Dutiable Goods—continued

£ s d

Beer of the descriptions called Mum, Spruce or Black Beer, and Berlin White Beer, and other preparations whether fermented or not, of a character similar to above, where the Worts thereof were, before fermentation, of a specific gravity—			
Not exceeding 1 215°—Barrel of 38			
Exceeding 1 215°—Barrel of 36	gals	1 13	0
Candied or Drained Peel	per cwt	0 1	4
Cards, playing	per doz packs	0 3	9
Caramel—			
Solid	per cwt	0 1	10
Liquid	per cwt	0 1	4
Cherries, Drained	per cwt	0 1	0
Chicory—			
Raw or kiln-dried	per cwt	0 13	3
Roasted or ground	per lb	0 0	2
Chicory (or any other substance) mixed with Coffee	per lb	0 0	2
Chloral Hydrate	per lb	0 1	9
Chloroform	per lb	0 4	4
Chutney	per cwt	0 0	10
Cocoa—			
Raw	per lb	0 0	1
Husks and shells	per cwt	0 2	0
Cocoa or Chocolate, ground, prepared, or in any way manufactured	per lb	0 0	2
Cocoa Butter	per lb	0 0	1
(If any spirit is used in the manufacture of cocoa or chocolate an additional duty of 1d per lb is charged)			
Cocoanut, sugared	per cwt	0 0	10
Coffee—			
Raw	per cwt	0 14	0
Kiln-dried, roasted, or ground	per lb	0 0	2
Coffee and Chicory (or other vegetable substance) mixed	per lb	0 0	2
Collodion	per gall	1 14	11
Confectionery—			
Containing Chocolate, viz—			
When the chocolate exceeds 50 per cent of the total net weight	per lb	0 0	12
When the chocolate does not exceed 50 per cent of the total net weight,	per lb	0 0	12
Hard, such as Sugared Almonds (except as below), Caraway Seeds, etc	per cwt	0 1	10
Sugared Almonds, on the entry for which the Importer has declared that the Sugar-coating does not exceed 72 per cent of the total net weight	per cwt	0 1	4
Soft, viz Gums imported in Bulk, in Barrels, or Cases, on the Entry for which the Importer has declared that duty on the combined quantity of Sugar and Glucose used in the manufacture of the goods did not exceed the rate of 2s the cwt	per cwt	0 0	10
Other Gums, Caramels, Chewin <sup>g</sup> Gums, Jelly Beans, Turkish Delight, etc	per cwt	0 1	4
Confectionery, made from Sugar, and containing no other ingredients except flavouring	per cwt	0 1	10

## List of Dutiable Goods—continued

£ s

Licorice, if declared by the Importer not to contain more than 30 per cent of added Sugar or other sweetening matter . . .	per cwt	0 0
(If spirit is used in the manufacture of confectionery, an additional duty of 1d per lb is charged)		
Ether Acetic	per lb	0 2
Butyric	per gal	1 1
Sulphuric	per gal	1 16
Ethyl Bromide	per lb	0 1
Chloride	per gal	1 1
Iodide	per gal	0 19
Fruit, Dried, or otherwise Preserved without sugar Currants	per cwt	0 2
Figs and Fig Cake, Plums, commonly called French Plums and Prunelloes, Plums Dried and Preserved, not otherwise described Prunes, and Raisins	per cwt	0 7
Canned and Bottled, other than Fruit liable to duty as such, preserved in thin Syrup	per cwt	0 0
(NB—If the importer has declared on the entry that there is no more than 12 per cent of added sugar, the duty is 3d per cwt)		
Canned and Bottled, other than Fruit liable to duty as such, preserved in thick Syrup	per cwt	0 1
Crystallised, Glace, and Metz, except Fruit liable to duty as such	per cwt	0 1
Imitation, Crystallised or not, on the entry for which the Importer has declared that the Sugar constituents do not exceed 80 per cent	per cwt	0 1
Imitation, Crystallised or not, in all other cases	per cwt	0 1
Liable to duty as such, except Currants, preserved in Sugar or otherwise, whether mixed with other Fruit or not	per cwt	0 7
Fruit Pulp, excepting Fruit Pulp liable to duty as such, preserved in thin Syrup	per cwt	0 0
Excepting Fruit Pulp liable to duty as such, preserved in thick Syrup, as Jam	per cwt	0 1
Ginger, preserved in Syrup or Sugar	per cwt	0 1
Glucose—		
Solid	per cwt	0 1
Liquid	per cwt	0 0
Marmalade, including jams and fruit jellies, unless made from fruit liable to duty as such	per cwt	0 1
Marzipan	per cwt	0 1
Milk—		
Condensed, sweetened, whole	per cwt	0 0
Condensed, sweetened, separated or skimmed	per cwt	0 0
Condensed, slightly sweetened, whether whole, separated, or skimmed, if declared by the Importer not to contain more than 18 per cent of added Sugar subject to occasional sampling, and testing	per cwt	0 0

## List of Dutiable Goods—continued

£ s d.

## Milk Powder—

If declared by the Importer not to contain any added Sugar . . . . .	Free			
If declared by the Importer not to contain more than 36 per cent of added Sugar . . . . .	per cwt	0	0	8
In all other cases, and where the Importer desires to dispense with sampling and testing . . . . .	per cwt	0	1	6
Molasses and Sugar, or extracts which cannot be tested by polariscope				
Containing not more than 50 degrees sweetening matter . . . . .		0	0	5
Containing less than 70 degrees sweetening matter . . . . .	per cwt	0	0	10
Containing 70 degrees or more sweetening matter . . . . .	per cwt	0	1	2
(Molasses is admitted free of duty if, when cleared for use by a licensed distiller, it is declared to be for use in the manufacture of spirits, or if it is to be used solely for the purpose of feeding stock)				
Motor Spirit . . . . .	per gal	0	0	3
Nestle's Milk Food . . . . .	per cwt	0	0	7
Saccharine, and mixtures containing saccharine or other substances of like nature or use . . . . .	per oz	0	0	7
Soap, transparent, in the manufacture of which spirit has been used . . . . .	per lb	0	0	3
Soy, when containing molasses or other sweetening matter . . . . .	per cwt	0	0	5

## Spirits and Strong Waters—

For every gallon, computed at hydrometer proof, of spirits of any description (except perfumed spirits), including naphtha or methylic alcohol, purified so as to be potable, and mixtures and preparations containing spirits—

## Enumerated—

Brandy, Rum . . . . .	per Proof gal	0	15	1
Imitation Rum . . . . .				
Geneva . . . . .	per Proof gal	0	15	2

## Unenumerated—

Not sweetened . . . . .	per Proof gal	0	15	3
Sweetened, tested . . . . .	per Proof gal	0	15	2
Liqueurs, Cordials, or other preparations containing Spirits, in Bottle, entered to indicate that the strength is not to be tested (and so in proportion for any less quantity) . . . . .	per gal	1	1	5
For every gallon of perfumed spirits (An additional duty of 1s per gallon is charged if the spirits are imported in bottles) . . . . .		1	4	1

## Sugar—

Of a polarisation not exceeding 76 degrees . . . . .	per cwt	0	0	10
Of a polarisation exceeding 76 degrees . . . . .	per cwt	0	1	10
(Intermediate duties between 76 and 78 are charged where the polarisation exceeds 76 but does not reach 78 degrees)				
Tinned and preserved in Syrup . . . . .	per cwt	0	0	5
Tea . . . . .	per lb	0	0	5

## Tobacco—

Manufactured—				
Cavendish . . . . .	per lb	0	7	0
Cavendish or Negrohead . . . . .	per lb	0	5	8

## List of Dutiable Goods—continued

£ s d

## Tobacco (Manufactured)—

Cavendish or Negrohead . . . . .	per lb	0	5	4
Cavendish or Negrohead manufactured in bond . . . . .	per lb	0	4	8
Other tobacco . . . . .	per lb	0	4	8
Snuff containing more than 13 per cent of moisture . . . . .	per lb	0	4	5
Snuff containing not more than 13 per cent of moisture . . . . .	per lb	0	5	4
Unmanufactured—				
Containing 10 per cent or more of moisture . . . . .	per lb	0	3	8½
Containing 10 per cent or more of moisture, if stemmed or stripped . . . . .	per lb	0	3	8
Containing less than 10 per cent of moisture . . . . .		0	4	1½
Containing less than 10 per cent of moisture, if stemmed or stripped . . . . .		0	4	1

## Wine (including Lees of Wine)—

Not exceeding 30 degrees of Proof Spirit . . . . .	per gal	0	1	3
Exceeding 30 but not exceeding 42 degrees of Proof Spirit . . . . .	per gal	0	3	0
(With an additional duty of 3d per gallon for every degree or part of degree of strength beyond the highest above specified)				
Still Wine, Bottles . . . . .	per gal	0	1	0
Bottled Sparkling Wine . . . . .	per gal	0	2	6
(Duties on Still and Sparkling Wines in Bottles are in addition to the duties on alcoholic strength)				

When full particulars of the goods are known by the consignee, that is to say, the exact description as required by the Customs, the form is lodged in duplicate (See page 465)

After duty has been paid in this manner, the goods are examined by a Customs officer, and if the details given tally with the result of this examination, the goods are released. On the other hand, if a discrepancy (shortage) is found on examination, the goods are detained until such time as the extra amount of duty has been paid. A similar form to the above is used, but reference to the original entry is made in the space provided. This is known as making a Post Entry. In the event of the duty being overpaid, the Customs' advice payee of the fact in due course by issuing an "Over Entry Certificate," and he should then attend at the Custom House in order to obtain refund.

In many instances, the necessary particulars for the payment of the duty cannot be given by the importer, in which case a Bill of Sight is requisitioned. This form is lodged at the Customs House, and the Customs officers then examine, test weight, or measure the goods in order to assess duty.

The consignee thereupon attends at the Custom House, and the particulars as disclosed by the examination are supplied to him, duty being then paid according to the assessment. A Bill of Sight is a double-sided document, and, first lodged with the Customs only one side can be used. (See p 467.)

When paying the duty, the document is completed by inserting on the other side the particulars of assessment arrived at by the Customs. (See p 468.) This process is called perfecting the bill of sight.

It sometimes occurs that a package contains free goods and dutiable goods. If the exact contents are

Port of Importation *Liverpool*,  
Importer's Name }  
and Address } *R Green & Co*  
Ex. *Hodder* @ *Calais*  
In full of Sight Date of Report and 16/11/11  
Customs Rotation No

Marks	Num- bers, &c	Number of packages, quantity and description of goods, in accordance with the requirements of the Official Import List	* Desti- nation	Value	Duty		
					£	s	d
<i>G H</i>	<i>4</i>	<i>One case Tea, containing Fifty lbs net</i>		<i>£3</i>	<i>1</i>		<i>10</i>

Certified correct,

Surveyor  
Date

To the Surveyor,

Sir,  
I request an extension  
of time from  
to in order  
to perfect sight  
pro

\* Place and Country of destination in United Kingdom to be shown for Spirits and unmanufactured Tobacco only.  
N B —The usual declaration must be added in MS This form is to be adapted for Free or Warehousing Entry

BAGGAGE SUFFERANCE INWARDS.

Port of *Liverpool*  
Importer *R Green & Co*

Ship's  
Rotation No }

Wharf, Dock, or Station	Ship's Name	Master	Port or Place whence imported
<i>Queensbury</i>	<i>Hodder</i>	<i>R Har</i>	<i>Calais</i>

Marks and Numbers	Number and Description of Packages and Goods
<i>K M</i>	<i>1 case Private Effects</i>

The above-mentioned goods may be landed and examined The particulars of examination are to be recorded hereon Care is to be taken that duty is paid on any dutiable goods, if, however, the packages contain any such goods concealed, or any prohibited goods, they will be liable to seizure

Dated this 17th day of Nov, 1911.  
..... pro Collector

Port of Importation *Liverpool*,Dock or Station *Queensbury*Importer's Name  
and Address*R Green & Co*Ex. *Hodder*@ *Calais*Date of Report and *16/11/11*  
Customs Rotation NoIn *full* of Sight

Marks	Numbers, &c	Number of packages, quantity and description of goods, in accordance with the requirements of the Official Import List	* Destination	Value	Duty		
					£	s	d
<i>G H</i>	<i>4</i>	<i>One case Tea, containing Fifty lbs net</i>		<i>£3</i>	<i>1</i>		<i>10</i>

Certified correct,

Surveyor

Date

To the Surveyor,

Sir,

I request an extension  
of time from  
to in order  
to perfect sight  
pro

\* Place and Country of destination in United Kingdom to be shown for Spirits and unmanufactured Tobacco only

N B—The usual declaration must be added in MS This form is to be adapted for Free or Warehousing Entry

**BAGGAGE SUFFERANCE INWARDS.**Port of *Liverpool*Importer *R Green & Co*Ship's  
Rotation No }

Wharf, Dock, or Station	Ship's Name	Master	Port or Place whence imported
<i>Queensbury</i>	<i>Hodder</i>	<i>R Har</i>	<i>Calais</i>

Marks and Numbers	Number and Description of Packages and Goods
<i>K M</i>	<i>1 case Private Effects</i>

The above-mentioned goods may be landed and examined The particulars of examination are to be recorded hereon Care is to be taken that duty is paid on any dutiable goods; if, however, the packages contain any such goods concealed, or any prohibited goods, they will be liable to seizure

Dated this *17th* day of *Nov*, *1911*

... pro Collector

BOND NOTE FOR TRANSHIPMENT AND EXPORTATION.

Marks  
and Nos

THIS is to certify that *B Morrow*  
of *Manchester Road,* *A*  
has given Security as required by Law for the due Transship-  
ment and Exportation of the undermentioned Goods, viz —  
\* *N O 1/8 8 cases Roasted and Ground Coffee*

Values	
Duty Goods	Free Goods
48	

\* One article only to be entered on each line

Total Value of Free Goods only £

Amount of Duty £

On board the *Tinnwald* for *Canada*  
The above Goods reported *16th* day of *Nov,* *1911*  
ex the *Hodder R Har* Master, @ *Calais*

If under  
General Bond

Ordinary Bond

Here state—  
Name of the proposed Security, Mr *T Kaffey*  
Address *17, Doiset Glen, Liverpool*  
Date of General Bond *18/11/11*  
Signature of Exporter or  
Authorised Clerk or Agent } *R Green & Co*  
*J Jones*

Clerk of the Bonds

Bond No

delivery order are required to be lodged. The following is a Transshipment Delivery Order—

TRANSHIPMENT DELIVERY ORDER.

To the Officer of Customs on board the  
Master @  
Send in charge of an Officer to be delivered into  
the custody of the proper Officers at  
for transshipment only on board the  
for

Marks	Nos	Description of Goods
<i>G A</i>	<i>1</i>	<i>1 case Whiskey</i>

The goods then may be delivered under the supervision of the Customs authorities, to the export ship by locked conveyance, and must be opened at the export ship by the Customs officials. If the goods are not delivered by locked conveyance, they may be delivered by a conveyance approved of by the Crown. In such a case the conveyance has to be

followed by a Customs officer at the expense of the owner of the goods  
Dutiable Goods for Transshipment at another Port than that of Arrival In this case the same formalities are observed, with the exception that a Warehousing Entry is lodged, as given on page 471. The goods must be sent forward in locked railway vans or lighters, and under the Customs seal consigned to the Customs authorities at destination. Advice is sent from the Customs House at port from whence the goods are despatched to the Customs authorities at port of re-shipment, and when the goods arrive they are entirely under Customs supervision  
When the above formalities are observed, dutiable goods in transshipment do not pay duty  
Bonded Goods. These are dutiable goods which are to be warehoused until such time as the owner decides to pay the required duty and so release the goods. A bonded warehouse is a dépôt approved of by the Customs authorities. In order that the goods may be warehoused, the ordinary warehousing entry is passed (in duplicate), and the usual particulars required for imports must be given, also the warehouse where they are to be stored. For goods which are intended to be used for home consumption, the duty, of course, has to be paid before delivery can be obtained. When paying the duty, a warrant is required to be taken out and handed to the Customs official in charge at the warehouse, who will then check the quantity, etc., of the goods and certify

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## COMMERCIAL ENCYCLOPÆDIA

[CUS

Port of

## SHIPPING BILL FOR GOODS AS STORES (Required in Duplicate).

Under Inland Revenue Bond.		Under Customs Bond.	
Collection		Warehouse	
District		Number .....	
Station <i>Bristol</i>		Month and Year	19
Date			
Export Ship <i>Solmh</i>	Master <i>J Ryan,</i>	for <i>Calcutta,</i>	
Entered Onwards <i>26/11/11</i>		Bond given..	
Station		Lighterman.	
Conveyance		Carman . . .	
		Exporters or Agents	
		Address	

Marks, Nos , and Rotation No	Number and Description of Packages	Quantities	Goods.	Particulars of Importation
------------------------------------	--	------------	--------	----------------------------

These Goods must be produced to the Officer of Customs at Shipment.

Y 1	One Case	2 galls	Whiskey	
Total		Granted		

\* For Goods *ex* Customs Warehouse at Port of Shipment, the Shipping Bill must be signed by the Officer in charge of the Accounts

Received the above-mentioned Packages on board }  
this Ship, *26th Nov ,* 1911 }

J. Lupton { M

{ or

..... { Counter-Sign  
of Officer  
Customs

Particulars of Examination }  
and Certificate of Shipment }  
to be inserted here }

..... Export Examination

N.B.—The Lightermen or Carmen are particularly required to give immediate notice to the Examining Officer if any of the above-mentioned Goods be shut out of the Vessel, and on no account take them to any other Ship than the one above-named without his permission

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## COMMERCIAL ENCYCLOPÆDIA

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## ENTRY OUTWARDS.

Port of *Glasgow*If { Sailing Vessel  
or  
Steamer.

Ship's Name and Port of Registry If Foreign, name of Country to which she belongs	Master	Destination
<i>Summit, Newcastle</i>	<i>T Thomas</i>	<i>Marseilles</i>

Last Voyage from *Marseilles* .. Tons . . Men.Lying at *Newcastle* . . . . .Date of Report *20/11/11*Part of inward cargo still on board for { Port or Ports in the U K, viz  
ExportationIf Ship shall have commenced her lading }  
at any other Port, name of such Port }Brokers *W Fagan*Address *Holley Street,*

Signed

Date of Entry *14/11/11*

Master or Agent

I certify that the following is a correct statement of the distance in feet and inches between Centre  
Maximum Load Line Disc and upper edge of Line indicating the position of the

First Deck above it		Second Deck above it	
Ft	In	Ft	In

Dated this *20th* day of *November,* 1911

NOTE:—In the case of Colonial and Foreign Vessels, certain approved Load Line Certificates are  
to be accepted as valid in the United Kingdom

\* The Certificate may be signed by any Person coming within the definition of Shipowner as  
interpreted in Section 492 of the Merchant Shipping Act, 1894.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200

201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300

301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400

401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500

501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600

601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700

701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800



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## COMMERCIAL ENCYCLOPÆDIA

[CUS]

MASTER'S DECLARATION AND STORES CONTENT FOR VESSELS  
OUTWARDS IN BALLAST.

Sailing Vessel

Official No

Rtn. No

Steam Vessel

No. of Register

Date of Registry

Port of

Ship's Name and Destination	Tonnage	If British Port of Registry If Foreign, the Country	Number of Crew	Name of Master	With or without Passengers or Troops
<i>Knot Bremen</i>	250	<i>British London</i>	25	<i>Eton</i>	<i>Without</i>

I, *James Eton*, Master of the above-named vessel, do declare that the particulars set forth in this form are true and correct, that there is not on board, nor will be taken on board the said Ship at this Port, any Goods, Wares, or Merchandize whatever, except such Stores and Provisions as are necessary for the use of the said Ship and the People on board thereof during the said Voyage and that all the requirements of the Merchant Shipping Acts respecting Outward-bound ships have been duly complied with

I hereby nominate and appoint *R Gobe*, of *Murphy Avenue*, to be and act as my Agent in all matters relating to the clearance of the said Ship required of me in that respect by the Customs Acts, holding myself responsible for his acts in such matters.

To be struck out if not applicable

*James Eton* Master.

Signed and declared this *25th* day of*Oct*, 1911, in the presence of

pro Collector of Customs and Excise

(Signed)

*R Gobe*

Agent for the Master

I certify that the following is a correct statement of the distance in feet and inches between Centre Maximum Load Line Disc and upper edge of Line indicating the position of the

First Deck above it		Second Deck above it	
Feet	Inches	Feet	Inches

Dated this

day of

19.

Master.

NOTE—In the case of Colonial and Foreign Vessels, certain approved Load Line Certificates are to be accepted as valid in the United Kingdom

Last voyage from

with Cargo } Delete the words  
in Ballast } inapplicable

Station where Ship lying

Name and Address of Broker

Date of Clearance

(For Stores Content, see back ) . . . . . Clearing Officer.

CUS]

COMMERC

MASTER'S DECLAR

Sailing Vessel

Steam Vessel

Port of

Ship's Name and Destination

*Knot  
Bremen*

I, *James Eton*  
that the particulars set  
taken on board the sa  
Stores and Provision  
during the said Voya  
bound ships have b

I hereby nom  
to be and act as  
me in that respec

Signed and dec

Oct ,

pro Collecto

I cer  
Maximu

ships carrying Passengers, though clearing in Ballast, are liable to Light Dues

clearance label stamped with the name of the port and date of clearance is attached to the aforementioned pasteboard card by the collector

**In Ballast.** Ships may be termed as being in ballast when without cargo or laden only with slate, chalk, etc., or returned empties upon which it can be proved that no freight is earned. The Victualling Bill is required, together with the Master's Declaration Outwards in Ballast as given on pages 478 and 479

The latter document must be signed by the Master of the vessel in the presence of the collector of Customs. The former must also answer (verbally) all questions relative to the ultimate destination of the ship. If any bonded stores are required, the Shipping Bill, which is taken out by the supplier of the goods, is endorsed by the agent of the master, with the request for permission to ship by the vessel to the destined port.

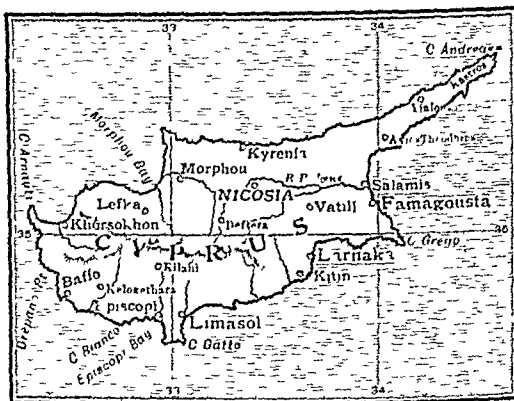
**CUTCH.**—The name used commonly for catechu (q v)

**CUTLERY.**—The comprehensive name for cutting instruments, including domestic cutlery, knives, forks, scissors, etc., and tool and surgical cutlery. Since the fourteenth century, Sheffield has been the chief centre of the manufacture, but France, Germany, and the United States are now strong competitors with England in the foreign markets, and the trade of Sheffield has been affected accordingly. The finest surgical instruments are made in Paris, and the best razors come from Sweden. The chief French towns engaged in this industry are Thiers, Nogent, Langres, Châtellerauld, and Paris. In Germany the principal centres are Solingen, Remscheid, Suhl, and Schmalkalden.

**CY PRES.**—This is an old French legal expression, which means "as nearly as possible." It is met with most frequently when the carrying out of the terms of a trust is in question. If it is not possible to do this absolutely, *i.e.*, as the donor of the trust funds has directed, the court has power to direct that the trust shall be carried out *cy pres*, or as nearly as it can be so as to meet the wishes of the donor.

**CYPRUS.**—This, the most eastern and the third largest Mediterranean island, nominally belongs to Turkey, but is occupied and administered by Britain. Its area is 3,584 square miles, and its population, mainly Greeks, number about 250,000. The extreme length of Cyprus is 140 miles, and its greatest breadth 61 miles. Ranges of mountains edge the island on the north and south, shutting off moisture from the long interior plain called the Mesoreia. There are no rivers worthy of the name, and its few lakes, the largest of which are Larnaka and Limasol, are dry in summer, and yield large

supplies of salt. The cutting down of the forests, which once largely covered the island, left the limestone hillsides bare and unfertile, and rendered the climate drier. Cyprus is essentially agricultural. The chief products are wheat, barley, vetches, olives, dates, salt, cotton, grapes, carobs, fruits, linseed, silk, cheese, wool, hides, sugar, and sesame. Horses, mules, cattle, asses, sheep, and goats are reared. Sponge fishing is carried on in the Mediterranean waters. Locusts, one of the great drawbacks to agriculture, have been successfully dealt with under British direction, and the evil effects of drought are being mitigated by the practice of



irrigation. Gypsum and marble are found in abundance, and copper mining, for which the island was in ancient times famous, has commenced again. Most trade is done with the United Kingdom. The exports include cereals, carobs, wine, cotton, raisins, silk cocoons, hides, skins, wool, cheese, vetches, animals, fruit, and vegetables. The principal imports are textiles, tobacco, rice, iron and copper goods, petroleum, Colonial produce, timber, and soap.

**Nicosia** (15,000), the capital, stands on the central plain.

**Larnaka** (8,000), an open roadstead on the south coast, is the principal commercial centre and outlet, and

**Famagusta**, on the east coast, possesses the only harbour that could be made to accommodate large ships.

There is a regular despatch of mails every Friday to Cyprus. The distance is about 3,000 miles, and the time of transit eight days.

it a sum imposed as security for the due performance of the contract? If it is the former, the court will not interfere, and the sum will be recoverable as liquidated damages, if it is the latter, it will be regarded as a penalty and be relieved against. The law leans against penalties.

It is not always necessary for a plaintiff to prove actual tangible loss, or the existence of a possibility of loss, in order that he may be entitled to recover damages from the defendant. Every breach of contract, and every wrongful act or omission, with some small exceptions to be presently considered, give rise to a claim for damages, and nominal damages may in any such case be awarded, although no actual loss has been or will be sustained. Unless the amount of the damages has been fixed by Act of Parliament, as is done in some special cases, or has been agreed to by the parties, the amount to be awarded in any case is within the discretion of the judge and jury trying the case, and that discretion must be exercised in conformity with the following rules which govern the assessment of damages—

(1) Damages must be assessed once and for all. A plaintiff must sue for and recover all his damages in one action, whether they be for actual, future, or contingent loss, and having once sued to judgment a defendant in respect of a particular cause of action, he cannot bring a second action against the same defendant for any loss arising out of the same cause of action which has not materialised at the time judgment was given in the first action, or which has, for some reason or another, not been taken into account in the prior proceedings. Where, however, a cause of action is continuing, that is, arises afresh from every repetition or every day's continuance of the wrong complained of, an action may be brought for damages as and when they accrue, if the cause of action continues, after the assessment of damages in any particular case.

(2) When damages have to be assessed by the court or jury, that is, when they are not merely nominal, or statutory, or agreed, only such damages can be awarded as flow naturally from the act or default complained of, and are either the direct consequence therefrom or were contemplated by the parties as a consequence thereof. Loss not within this limitation is said to be too remote, and cannot be recovered. If a plaintiff could reasonably have prevented any part of the loss he has suffered, such loss as might have been averted by him cannot be regarded as the direct consequence of the defendant's act or omission. These rules are sometimes described together as "the measure of damages," by which is meant the standard of calculation by which the damages are to be assessed.

The doctrine of remoteness may be best explained by an illustration. In the leading case on the subject, *Hadley v. Baxendale* (9 Ex. 341), the plaintiffs, who were millers, entrusted the defendants, who were carriers, with a mill-shaft to be delivered to the mill, the carriers' servant being informed that the shaft must be sent at once as the mill was stopped for want of it. Owing to the defendants' neglect, the shaft was not delivered at the proper time, and the mill was stopped for several days in consequence. The plaintiffs brought an action to recover damages for the delay in delivery, and sought to include in the damages the loss of profits caused by the stoppage of the mill, but it was held that they could not do so, as the mere notice to the defendants' servant was not sufficient to make

the loss of profits damages that might reasonably be expected to flow from the breach of the contract of carriage. In another case, *British Columbia Saw Mills v. Nettleship* (L.R. 3 C.P. 499), the law was stated as being that the knowledge of the special circumstances must be brought home to the party sought to be charged, under such circumstances that he must know that the person he contracts with, reasonably believes that he accepts the contract with the special conditions. The application of the rule to actions of tort is somewhat different. One who commits a wrongful act is responsible for the ordinary consequences which are likely to occur, but, generally speaking, he is not liable for damage which is not the natural or ordinary consequence, unless it is shown that he knows or has reasonable means of knowing that consequences not usually resulting from the act are, by reason of some existing cause, likely to intervene so as to cause damage. In a well-known case, the defendant's servant washed down a cart in his master's yard. In the ordinary way the water should have passed down the gutter to the drain, but the weather was frosty, and the drain was frozen over, so that the water could not get away, and stood in the yard until it froze. Plaintiff's horse slipped on the ice so formed and broke its leg. The defendant did not know of the obstruction in the drain, and it was held that the injury to the horse was not such a consequence as he should reasonably have expected as a consequence of the washing of the van. In another case the defendant had made an untrue statement about the plaintiff, the words used not being actionable in themselves, and the plaintiff endeavoured to prove as damages the fact that in consequence of the slander a third person had refused to employ her. It was held that as the words used would not naturally lead to such a refusal to employ, the damages were too remote.

Another factor to be considered in connection with remoteness is whether the original act or omission complained of was the real cause of the injury, or was there some intervention of a third person without which the damage would not have followed. A good example of this distinction was seen in an action against a railway company for damage done to a garden by reason of an engine falling down an embankment into the garden, where it was held that the company were liable for the damage done by the engine, but not for that caused by the crowds of people who came to see the engine in the garden. But where the conduct of the third person was itself a direct consequence of the original misconduct, or the damage followed by reason of animals following their natural instincts, the original wrongdoer will be responsible for all. Where, however, a contingency supervenes upon the act complained of, damages cannot be given in respect of the contingency. If a man travelling by train to take part in a competition is injured, the jury in assessing damages for the injury must not take into account the possible loss of the prize. But where a seller of goods fails to deliver them, and the buyer cannot purchase similar goods in the market, the latter is entitled to recover as damages the value of the goods to him at the date when delivery should have been made, and such value may include the profits he would have made on a contract to resell already entered into, whether the original seller knew of such contract or not. If the buyer has already paid the price, the measure of damages for non-delivery is the value of the

unfavourable, the dangerous structure must be dealt with as already explained. If the structure is dangerous to its inmates, a justice of the peace may order them to be removed from it.

If there is a dispute between the owner and the local authority in the metropolis, the same may be referred to arbitration. The London Building Act, 1894, enacts that where a building is ruinous, or so dilapidated as to be unfit for use, or where from neglect it is prejudicial to the surrounding property and the neighbours, justices of the peace may order the owner to take down, repair, or rebuild such neglected structure, or to fence in the ground on which it stands.

**DANGEROUS GOODS.**—Those who have to do with dangerous goods, whether by way of manufacture, storage, carriage, or sale, are under special liabilities, imposed by the law, to safeguard the public. The manufacture of certain classes of them, *e.g.*, gunpowder and explosives, has been regulated by statute, and to manufacture them elsewhere than on premises duly authorised is an offence visited with severe penalties. (See **GUNPOWDER AND EXPLOSIVES**.) Apart, however, from statute, it is lawful for a man to manufacture and store on his land any substance he pleases, however dangerous. He incurs, however, this liability by so doing, that, if some mischance causes the dangerous goods to escape and do injury to a third party, the owner becomes liable in damages, though he has taken all possible precautions. For it is a well-settled rule of law that if a person brings on to his premises anything which will do damage if it escapes, he must keep it in at his peril, *e.g.*, if acid is stored and escapes, doing damage to adjoining property, the owner will be held responsible without proof of any negligence. The liability of a person handing goods to a carrier, or selling them, is more stringent, for if a man entrusts to a carrier goods which he knows to be dangerous, it is his duty to warn the carrier of their nature, and if he does not, and injury results, he will be held responsible. Nor is it necessary that the injury should be occasioned to the carrier himself, for the duty to take care exists towards all persons to whom the carrier, relying on care being taken, may deliver the goods as fit and proper to be dealt with in the way in which it was the intention of the parties that the original contractor should himself deal with them. So, in a case where the defendant employed a railway carrier to forward for him by rail a carboy of nitric acid, without disclosing to him the dangerous nature of its contents, and the carrier delivered it to the plaintiff, the servant of another carrier, to carry it by road, and the plaintiff, ignorant of the contents of the carboy, carried it on his shoulder from one van to another, and while he was so doing, from some unexplained cause, the carboy burst, and the contents injured him, the defendant was held liable. The carriage of dangerous goods has also been dealt with by statute, for the Railway Clauses Consolidation Act, 1845, (a similar provision as to tramways being contained in the Tramways Act, 1870), requires persons sending by railway any aquafortis, oil of vitriol, gunpowder, lucifer matches, or other goods of a dangerous nature, to mark distinctly on the outside of the packages the nature of the goods, or to give notice in writing of the nature of the goods to the servants of the company with whom they are left. Contravention of these provisions with guilty knowledge renders offenders liable to forfeit £20 to the Company for each offence.

By the Merchant Shipping Act, 1894, no vessel is to carry dangerous goods (which term is defined to mean aquafortis, oil of vitriol, naphtha, benzine, gunpowder, lucifer matches, nitro-glycerine, petroleum, explosives within the Explosives Act, 1875, and any other goods which are of a dangerous nature), unless their nature and the particulars are distinctly marked on the outside of the package containing them. Severe penalties are imposed for breach of these provisions, and also for sending or attempting to send dangerous goods with a false description, or falsely describing the sender or carrier thereof. As regards the sale of dangerous goods, a purchaser who has been injured by goods which he has purchased, and which have proved to be in fact dangerous, has frequently a remedy in pursuance of a warranty implied by the Sale of Goods Act, 1893. Quite apart from warranty, however, if the purchaser can show that he was ignorant of the dangerous nature of the goods, while the seller knew of it and did not warn him, he can recover damages in tort, for the omission to warn him is regarded as negligence. A question sometimes arises—Can a third person, into whose hands the goods come, sue the original seller? It is clear that no action will lie in contract, for no one can sue on a contract who is not a party to it, but an action may sometimes be maintained in tort. Thus, where the defendant, a chemist, had sold to a man hairwash, knowing it to be intended for use by the man's wife, and the wash proved to be injurious, and caused injury to the wife, she was held to have a good cause of action against the chemist, on the ground that he was under a duty towards her—for whose use, as he knew, the article was bought—to use ordinary skill and care in compounding it. In an American case, a drug dealer sold to a chemist belladonna, a poison, by mistake for dandelion, a useful drug. The chemist sold it to a country doctor, who in turn sold it to a patient, whose wife was rendered dangerously ill, and it was held that the patient was entitled to sue the drug dealer. The liability of those who sell, or give away, dangerous goods may, in fact, be summed up in the words of Lord Esher: "When one person supplies goods or machinery or the like for the purpose of their being used by another person under such circumstances that any one of ordinary sense would, if they thought, recognise at once that, unless he used ordinary care and skill with regard to the condition of the thing supplied or the mode of supplying it, there will be danger or injury to the person or property of him for whose use the thing is supplied, and who is to use it, a duty arises to use ordinary care and skill as to the condition or manner of supplying such thing, and for a neglect of such ordinary care and skill whereby injury happens, a legal liability arises to be enforced by an action for negligence."

**DANGEROUS PERFORMANCES.**—Any person who shall cause a child under fourteen years old to take part in a public performance must be very careful. The Children's Dangerous Performance Act of 1897 affixes a penalty not exceeding £10 if, in the opinion of justices of the peace, or of a stipendiary magistrate, the life or limbs of the child shall be endangered by such performance. If an accident occurs to such child during the performance, the employer may be indicted for assault, and compensation may be awarded to the child.

In 1897 the Act was extended to any male young person under the age of sixteen, and to any female

the last day of grace is a Sunday and the second day of grace is a Bank Holiday the bill is due and payable on the succeeding business day

"(2) Where a bill is payable at a fixed period after date, after sight, or after the happening of a specified event, the time of payment is determined by excluding the day from which the time is to begin to run and by including the day of payment

"(3) Where a bill is payable at a fixed period after sight, the time begins to run from the date of the acceptance if the bill be accepted, and from the date of noting or protest if the bill be noted or protested for non-acceptance, or for non-delivery

"(4) The term 'month' in a bill means calendar month"

As mistakes frequently arise as to the calculation of the date of payment, it is frequently inserted on the bill, as soon as it can be ascertained. If the bill is payable a certain number of days after date, the date of payment is known at once. If it is expressed to be payable a certain number of days after demand, or sight, or presentation, the date of acceptance governs the whole, and the time of payment is not ascertainable until acceptance. In order to avoid any mistake as to Sundays, it is advisable to consult a calendar. The due date is of the utmost importance when it becomes necessary to consider whether action at law is to be taken, and it must be remembered that no right of action accrues until after the expiration of the whole of the third day of grace, unless the bill has been previously dishonoured by non-acceptance

In calculating the due date, it is necessary to recollect the provision contained in the last subsection, because at common law a month always meant a lunar month. The word as applied to bills of exchange means a calendar month. A bill drawn payable thirty days after date and dated February 1st is due on March 5th or 6th, according as the year is or is not a leap year. A similar bill drawn payable one month after date is due on March 4th. If, however, any of these dates in March happens to fall on a Sunday, or a day appointed as a public fast or thanksgiving day, the due date of payment is advanced to the preceding business day. Similar calculations will have to be made as to the due date if the bill becomes due on such a date as to fall within the other proviso of the section quoted above. Again, a bill dated on January 1st and payable thirty days after date, subject to the provisos stated, is due on February 3rd. A bill dated November 28th and payable three months after date is due on March 3rd, although in leap year the date would be advanced to March 2nd, and a bill dated January 28th, 29th, 30th, or 31st, and payable a month after date is due on March 3rd, except that in leap year the first-named would become due on March 2nd

Days of grace are allowed upon promissory notes just as upon bills of exchange, and if the payment of a bill or of a promissory note is to be made by stated instalments, the three days of grace are allowed upon each instalment. There are no days of grace in the case of cheques

When a bill is drawn in one country and is payable in another, the date of payment is calculated according to the law of the country in which the bill is payable. If, therefore, an English bill is payable in a country which does not allow days of

grace, the date of payment is fixed by the instrument, but if a foreign bill is payable in England, three days of grace are allowed, unless the bill is one of the class which do not allow days of grace. It may be noted that days of grace are not allowed in France, Germany, Russia, Norway, Sweden, Denmark, Holland, Belgium, and Italy. In Canada three days are allowed, but in the United States the number varies

In any case, it is quite possible for a bill or a promissory note to be drawn without any days of grace being allowed. This, however, must be clearly indicated upon the instrument itself, as no extraneous evidence is admissible to vary the document. The usual way to indicate this exception is to mark the bill or promissory note "without grace" or "without days of grace"

The phrase "days of grace" is also used to signify the time of indulgence allowed for the payment of insurance premiums after they have become due. These are only allowed, however, by the courtesy and custom of insurance offices—they do not exist as a matter of right

**DAY TO DAY LOANS.**—Also spoken of as "day to day money" and "call money." Bankers have frequently considerable sums of money on hand which they do not require to keep in their tills or to deposit with the Bank of England, but which they do not care to lock up for any period, in case some sudden emergency should arise. Instead, then, of allowing this money to lie idle, it is lent out to billbrokers, stockbrokers, and others at a fixed rate of interest for a single day, on the distinct understanding that it can be called in, if required, at a moment's notice. As the main object of the banker is to lend simply on short notice, and if he is satisfied that the money can always be called in at once, these day to day loans are frequently continued and extend over a considerable time, but always on the understanding that the loans are, as it were, made freshly every day

**DEAD ACCOUNT.**—This is a term applied in banking to an account which is no longer operated upon by a customer. It is more especially applicable to the money, stock, and other securities which stand to the credit of a deceased person who has dealt with the bank during his lifetime. The death of a customer revokes the banker's authority, and no dealing is possible with the account until a representative of the deceased executor or administrator has been appointed. Legally, a banker would be entitled after six years to claim as his own the property in his possession. This is by reason of the Statute of Limitations. In practice, however, he is always ready to restore it to any person who can make out a legal title. (See UNCLAIMED BALANCES)

The term is also met with in book-keeping, and then it signifies an account which deals with things as distinguished from persons, such as petty cash account, charges account, goods account, etc

**DEAD FREIGHT.**—The expression "dead freight" is used to denote the compensation payable to the shipowner when the charterer has failed to ship a full cargo. It may be payable at an agreed rate, but more generally its amount has to be assessed by ascertaining the loss actually sustained by the shipowner, after taking into account the further expenses he would have been put to if the whole cargo had been shipped. The shipowner has no lien for this compensation apart from express contract,

the act is *ultra vires* (*qv*) the company, and the lender has no right to reclaim his money. Even the security which he may have received is void. It is the duty of the lender to inquire into, and to know, what are the exact powers of the company, and if he fails to do so he has only himself to blame if he is a total loser, but such a lender has a right of action against the directors personally as for breach of an implied warranty of authority. But the lender is not bound to see to the application of the money which he advances, and if he does so he is able to rely upon his security, since the loan itself was quite valid.

In regard to the security given, the directors can charge any part of the assets of the company with the exception of uncalled capital. The uncalled capital can only be charged if there is a special power given in the memorandum or the articles, and even then the power does not extend to that part of the capital which has been constituted a reserve liability (*qv*), and which can only be called up, under Section 59 of the Companies (Consolidation) Act of 1908, in the event of and for the purposes of the company being wound up.

Unless expressly restrained by the articles of association, a company is entitled to borrow money in the same way as an ordinary individual, for example, it can borrow upon bills of exchange or promissory notes, or by obtaining an overdraft from its bankers. This is simply an incident of the business, but there are other ways of raising money for the benefit of the company, and these generally consist in—

- (a) A mortgage or charge for the purpose of securing any issue of debentures
- (b) A mortgage or charge on uncalled share capital of the company (subject to what has been already said)
- (c) A mortgage or charge created or evidenced by an instrument which, if created by an individual, would require registration as a bill of sale
- (d) A mortgage or charge on any land, wherever situate, or any interest therein
- (e) A mortgage or charge on any book debts of the company
- (f) A floating charge on the undertaking or property of the company.

It will be obvious, therefore, that a company is enabled to mortgage any part of its real property, either by a legal or an equitable mortgage, and to execute a mortgage of its chattels in the same manner as an individual, by means of a bill of sale, but the most common way adopted by a company for raising money is to create debentures, and these alone need special consideration when dealing with companies and company law.

In form, a debenture is a charge or mortgage upon the undertaking or property of a company, bearing a fixed rate of interest, and either repayable within a fixed term of years, or irredeemable during the existence of the company. A person to whom the interest and the principal money are secured is called a debenture holder. There is no precise definition of what a debenture is, and the term is not a technical one. It has been judicially observed, "I cannot find any precise legal definition of the term. It is not either in law or commerce a strictly technical term, or what is called a term of art." Debenture has been applied to describe such an instrument as a railway mortgage or bond, and also a personal security, e.g., the

Druce bonds. The last named, however, can have little or nothing in common with a debenture secured by mortgage, either from the point of value or from the point of the legal rights and remedies available to the debenture holder.

There are many forms of debentures, but, speaking generally, they may be divided into two classes. The first is mortgage debentures, which give a charge over a part or over the whole of the assets of the company, and the second is debentures which give no charge at all, but simply consist in a promise to pay a sum of money in consideration of a loan made to the company. The former is much more common than the latter. There is also another division, a very simple one, into debentures which are registered in the company's books, and debentures of which the rights pass by delivery. The first are known as "registered debentures" and the other class as "debentures to bearer." It has been judicially decided that debentures to bearer are negotiable instruments, in the full sense of the term, by the general custom of merchants.

Registered debentures are expressed to be payable to the registered holders of the same. If any change is to take place in the ownership, the debentures must be transferred as shares or stock, and the instrument of transfer must also be registered with the company. Debentures to bearer are payable to the bearer thereof, and are transferable by delivery. No holder is registered, and, therefore, the transfer stamp duty is avoided, as in the case of share warrants. But, upon issue, debentures to bearer require to be stamped at the rate of 10s per cent on the amount secured by them, calculated upon multiples of £10; whereas registered debentures, being liable to transfer duty, are only stamped at the rate of 2s 6d per cent., with certain gradations, as shown below.

There is often a distinction made between debentures and debenture stock. In reality the holders of debentures stand in very much the same position as the holders of debenture stock. The difference consists mainly in the mode of transfer. Ordinarily debenture bonds are only transferable in their entirety, debenture stock may be transferred in whole or in part, provided that such part does not involve a fraction of a stated amount. Debenture stock is frequently made transferable in multiples of £10. There are also other peculiarities of transfer, the main object being to secure identification.

When the directors of a company have resolved to issue debentures, an invitation is made to the public to subscribe for the same.

The issue of debentures is so extremely common, and the fact is so commonly notified in the public Press, that the reader can easily supply himself with particulars as to the intended issue and the conditions which are imposed. It will be found in almost every case that a fixed rate of interest is payable, and the payment of this interest will form a first charge upon the profits and assets of the company, subject to what is stated hereafter. Since debentures are a debt created by the company, the money raised by them forms no part of the capital of the company. It has been decided over and over again that debentures may be issued at a discount, thus making a great distinction between their issue and the issue of the share capital of the company. When a company issues particularly successful debentures, they are eagerly sought for by the public, as offering a

## THE CONDITIONS WITHIN REFERRED TO

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1 This Debenture is one of a series of 100 Debentures of £100 each, number 1 to 100 inclusive, issued or about to be issued by the Company for an aggregate amount of £10,000. The Company shall be at liberty to issue further Debentures of a like nature, to rank *pari passu* with the Debentures of this series.

2 The Debentures of this series shall rank *pari passu* as a first charge upon the property, charged by the Debentures without any preference or priority one over another, and shall, until the moneys hereby secured shall become payable, be a floating security, and the Company shall not create any mortgage or charge in priority to the said Debentures.

3 The principal money hereby secured shall immediately become payable if the Company makes default for a period of three calendar months in the payment of any interest hereby secured, and the registered holder hereof before such interest is paid by notice in writing to the Company calls in such principal money, or if a distress or execution is levied upon or against any of the property and the assets of the Company, and is not paid out or withdrawn within ten days, or if a receiver of any property and assets of the Company is appointed by any court of competent jurisdiction, or if an order is made or an effective resolution is passed for the winding-up of the Company.

4 The principal money and interest hereby secured will be paid at the Registered Office of the Company, or at the Company's bankers for the time being, or at the option of the Company at some place in London to be named by it.

5 The Company will cause a register of the Debentures to be kept wherein shall be entered the names, addresses, and descriptions of the holders of the Debentures, and the number of the Debentures held by them respectively.

6 The registered holder will be regarded as exclusively entitled to the benefit of this Debenture, and all persons may act accordingly, and the Company shall not be bound to enter in the register notice of any trust, or to recognise any right in any other person save as herein provided.

7 The registered holder for the time being of this Debenture may by instrument in writing transfer the same. The instrument of transfer shall be left at or sent to the registered office of the Company with a fee of five shillings, and thereupon the transfer shall be registered, and the name of the transferee entered in the register as the holder of this Debenture. The Company shall be entitled to retain the transfer.

8 No transfer will be registered during the thirty days immediately preceding the days by this Debenture fixed for payment of interest.

9 In the case of joint-registered holders, the principal money and interest hereby secured will be deemed to be owing to them on a joint account.

10 The principal money and interest hereby secured will be paid without regard to any equities between the Company and the original or any intermediate holder hereof, and the receipt of the registered holder for such principal money and interest shall be a good discharge to the Company.



*Dated the 1st day of January, 1912.*

**THE A.B. COMPANY,**

**LIMITED**



**DEBENTURE**

FOR

**£100**

Bearing Interest at the rate of five  
per centum per annum.



debenture holder the right to require that any particular debt owing to the company shall be paid to him, and again, if a debt owing to the company has been garnished, the garnishee (*qv*) cannot refuse to pay the judgment creditor, because he is aware that the company has issued debentures. The creation of a floating charge does not necessarily prevent a company from creating specific charges on specific assets, having priority over the debentures, unless there is a clause to that effect in the indorsement, as shown above at the end of Clause 2. Moreover, the holder of a debenture creating a floating charge is entitled to issue a writ for the protection of his interest before the principal money secured by the debenture has become payable, and if, when the case comes on for hearing, the money has become due or the security has crystallised, the court has jurisdiction to make an order for realisation of the security, and, so far as is necessary, for foreclosure.

The object in securing debentures is to gain priority in case the company is wound up. There are certain charges, however, which have priority even over debentures, *e.g.*, a landlord who distrains for rent, a judgment creditor who actually seizes and sells property covered by the floating charge, and certain claimants in winding-up. Again, where a company is being wound up, a floating charge on the undertaking or property of the company created within three months of the commencement of the winding-up will, unless it is proved that the company immediately after the creation of the charge was solvent, be invalid, except to the amount of any cash paid to the company at the time of or subsequently to the creation of, and in consideration for, the charge, together with interest on that amount at the rate of 5 per cent. per annum.

All debentures must be entered on the register of the company, but they are expressly excluded from registration as bills of sale. (There are various registers. Some are kept by the Registrar of Joint Stock Companies, and others by the company.) This register of mortgages and charges is a public one, and any person is entitled to inspect it on payment of a fee of 1s. An omission to register the charge within the prescribed time renders it void as regards the property comprised in it, though the omission does not invalidate the covenant to pay the debt. Failure to keep a proper register of mortgages and charges renders the directors liable to heavy penalties, though the court may, in certain cases, give relief when it is clear that the absence of registration is able to be explained. Its existence is of great value to the public, and its contents make clear the nature and the order of the secured debts of the company. The register was established by the Companies Act, 1862, but as it was held that failure to register mortgages and charges did not invalidate those mortgages and charges, it did not serve any useful purpose until the passing of the Companies Act, 1900, which made void every charge not entered therein. The provisions of the Act of 1900, together with the amendment of the Act of 1907, are now reproduced in Sections 93-102 of the Act of 1908, to which reference should be made for full particulars. (See REGISTRATION.)

Debentures which are debentures to bearer are transferable by delivery, but debentures which are debentures to registered holders are only transferable according to the conditions which are indorsed upon the debenture bond. If no particular mode of transfer is indicated, they are transferable in the

same way as an ordinary chose in action, that is, by means of a written notice given to the company, and by a document in writing signed by the transferor. The following is a common form of transfer—

I, A B, of . . . , in consideration of the sum of £ . . . . paid to me by C D, of . . . . Do hereby transfer to the said C. D, his Executors, Administrators, and Assigns, certain Registered per cent Debenture Bond made by the X Y Company, Limited, to me, and dated the . . . day of . . . , 19 . . . , the said Debenture securing the sum of £ . . . and interest, and all my right, estate, and interest in and to the money thereby secured on the properties and securities thereby assigned.

In Witness whereof I have hereunto set my hand and seal this . . . day of . . . , 19 . . .

Signed, sealed, and delivered by the above-named A B

in the presence of A B. (L S)

Signature . . . .

Address . . . .

Occupation . . . .

Signed, sealed, and delivered by the above-named C D

in the presence of C D. (L S)

Signature . . . .

Occupation . . . .

The stamp duty chargeable is the same as upon a transfer of shares.

Just as a mortgagee has a right to demand back his money under certain conditions, and, if he is not paid, to realise his security, so a debenture holder who fails to obtain the payment of his interest regularly is entitled to pursue certain remedies for his own benefit and for the benefit of his fellow debenture holders. The conditions under which a debenture holder is entitled to enforce his security are indorsed on the debenture, and they also depend to a certain extent upon the trust deed which secures the debentures. But the rights of a debenture holder are generally one of the following—

- (a) To sue the company for the repayment of the principal and the interests due upon the debentures.
- (b) To present a petition for winding-up the company.
- (c) To prove for the debt in the winding-up.
- (d) To appoint a receiver.

The last of these is that most frequently resorted to by the debenture holder, because a company may be merely in temporary difficulties from which a little judicious management may extricate it. And it will generally happen that the security is good enough to allow of the business being carried on without any undue risk to that security. The right to appoint a receiver must be given by the indorsed conditions. There are other rights which a debenture holder may enjoy under his contract, especially those of sale or foreclosure. These, however, present difficulties of a technical character, and it is best to rely upon the appointment of a receiver in the first instance.

A receiver (*qv*) may be appointed by the debenture holders, and it will depend upon the conditions whether he is the agent of the debenture holders or of the company. This is an important matter, owing to the liability which attaches to a principal for the acts of his agent. In certain cases

There is frequently a difficulty when the debtor is out of the jurisdiction of the English courts. If the debtor departs from England before the right to demand payment has accrued, the Statute of Limitations does not run in his favour, *ie.*, the creditor can sue him upon his return, no matter how many years he may have been absent. But if the right to sue has once accrued before the departure, the statute commences to run at once and nothing can stop it. Unless, then, the creditor takes active measures, he may be deprived of all remedy. The only remedy is for the creditor to issue a writ, which runs for twelve months, and then to renew it continually until it can be served upon the debtor. On good cause being shown, a writ can always be renewed for an extra period of six months. In certain cases a debtor can be served abroad, and judgment may be obtained against him. This right, however, is strictly guarded, and is hedged in with various technicalities (See INTERNATIONAL LAW).

Whenever a debt is settled there must be complete accord and satisfaction (*qv*) between the parties. Thus, a debt of £20 cannot be settled by the payment of £15, unless there is some consideration for foregoing the balance of £5. This only refers to a payment in actual money. If payment is made in anything else than money, there may be complete satisfaction as well as accord. Thus, if the creditor accepts a cheque, or a bill of exchange, or even some chattel—and either of the first two is for an amount less than the debt—that is accord and satisfaction, and the debt is extinguished.

When the creditor cannot obtain payment, the general practice is to place the collection of the debt in the hands of an agent or a solicitor. The person who is thus employed is the agent of the creditor, and the creditor is responsible for any expenses incurred. It is the common practice of the agent or solicitor, when making a demand for the debt, to add something to this effect, that his charges must be paid by the debtor. Such a demand, whether it is 3s 6d or 6s 8d, is not enforceable by law against the debtor. It is the creditor alone who is responsible for the payment of this additional sum.

When action has to be taken, a creditor should proceed in the county court, upon a default summons (*qv*), if the amount is less than £20—always providing the debt is for a liquidated amount—and in the High Court if his claim exceeds £100. When the debt is between £20 and £100, proceedings ought to be taken in the county court, unless the facts of the case are such that the debtor is unlikely to obtain leave to defend the action, when it is quite as cheap and sometimes more expeditious to proceed in the High Court under what is known as Order XIV (*qv*). If judgment is obtained within twenty-one days, costs are awarded on the High Court scale. If not, unless there is good reason shown, only county court costs will be granted.

**DEBT, NATIONAL.**—(See NATIONAL DEBT)  
**DEBTORS ACT.**—This Act was passed in 1869, and its object was to put an end to the indiscriminate imprisonment of debtors which had been so common up to that date. The Act prevented imprisonment in future, except in the following cases *ie.*, in cases of—

"(1) A penalty, or a sum of money in the nature of a penalty, other than a penalty under a contract

"(2) A sum recoverable summarily on conviction, and not as a civil debt, before a court of summary jurisdiction

"(3) A sum in the possession or under the control of a trustee or a person acting in a fiduciary capacity, and ordered to be paid by the court

"(4) A sum payable by an attorney in respect of costs, when the order is made to pay the sum on the ground of misconduct, or in payment of a sum when the order is made to pay the same in his character as an officer of the court

"(5) A sum payable for the benefit of creditors out of any salary or other income, in respect of the payment of which any court having jurisdiction in bankruptcy is entitled or authorised to make an order

"(6) A sum payable by virtue of an order under the Act itself"

If a debtor refuses or neglects to pay a judgment debt, he may be brought before the court, the High Court, or the county court, and an inquiry is then made as to his means. It must be proved, first of all, unless the debtor appears, that the summons has been served upon him *personally*. If it is shown that the debtor has no means, no order will be made. But if his means of payment are proved to the satisfaction of the court, an order will be made, according to the discretion of the court, for payment at once of the whole or payment by instalments, and to the order may be added the penalty of imprisonment in case of non-compliance with the order. It must not be imagined that this constitutes an imprisonment for debt—it is imprisonment for contempt of court in refusing to obey its order. The period of imprisonment may be for any time not exceeding six weeks. The imprisonment does not act as a satisfaction of the debt, but a debtor cannot be imprisoned a second time in respect of the same debt. The only remedy left to the creditor is an execution against the lands, goods, or chattels of the debtor—if he possesses any.

If an action is pending in the High Court, and the amount in dispute is a sum of £50 or upwards, the plaintiff can, at any time before final judgment, obtain an order from a judge, on satisfactory evidence being adduced, for the imprisonment of a defendant for a period of six months, if there is reasonable ground for believing that the defendant is about to go out of the jurisdiction, unless the defendant gives satisfactory security up to the amount of the claim that is being made against him.

The Act of 1869 has been amended in certain respects by the Bankruptcy Acts of 1883 and 1890, with respect to those sections dealing with the imprisonment of fraudulent bankrupts. Every person who is adjudged a bankrupt is guilty of a misdemeanour (*qv*), and is liable to imprisonment, if he commits any of the following offences, unless he is acquitted by a jury of an intention to defraud—

"(1) If he does not to the best of his knowledge and belief fully and truly discover the whole of his property to his trustee in bankruptcy.

"(2) If he does not deliver up the whole of his property in his custody, or under his control, and the books, papers, and documents relating thereto

"(3) If after the presentation of a bankruptcy petition by or against him, or the commencement of the liquidation, or within four months next before the commencement of bankruptcy proceedings, he conceals or removes any part of his

A person who is under a contingent liability may prove in respect of the contingency. So if the bankrupt is under covenant or agreement with any person to indemnify him at some future time, which may be quite indefinite, that person may prove in respect of that future liability. For instance, if a man takes an assignment of a lease under a covenant with the lessee to indemnify him from the consequences of the assignment, liability under this covenant is a contingent liability which may be proved for. The holder of a bill of exchange may prove his debt in the bankruptcies of all the prior parties to the bill, and may receive a dividend from each upon the whole debt, provided he do not, in the whole, receive more than 20s in the £. As to an accommodation acceptance, if one party only is bankrupt, the solvent party may prove against the debtor's estate for the amount, if any, for which he could have sued the bankrupt if the latter had remained solvent. In other words, he can prove for the amount which he has paid for the bankrupt's accommodation.

**DECALITRO.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY)

**DECAMETRO.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY)

**DECEASED INSOLVENT DEBTOR.**—Where a debtor dies insolvent, any creditor who might have presented a bankruptcy petition against him had he been alive, may petition the court for an administration order, under which the estate will be dealt with as in bankruptcy. The petition is served on each executor who has proved the will, or on any person who has taken out letters of administration. Upon notice being given to the legal personal representative of the deceased debtor, the court may make an order on proof of the creditor's debt, unless it is satisfied that the estate will probably be sufficient for payment of the debts. Such a petition cannot, however, be presented if an administration action has been commenced, but in that case, if the estate is insolvent, the proceedings are generally transferred to the bankruptcy court. Administration of the estate of a deceased insolvent debtor is carried out practically in the same manner as the administration of a bankrupt's estate. Upon the order being made, the debtor's property vests in the official receiver as trustee. His duty is to realise and distribute the estate. The creditors may appoint a trustee and a committee of inspection. Funeral and testamentary expenses are paid in full in priority to all other debts. Any surplus remaining after payment of debts in full, the costs of the administration, and interest, is paid over to the legal personal representative. It should be mentioned that notice to the legal personal representative of a deceased debtor of the presentation of a petition for administration is equivalent to notice of an act of bankruptcy.

**DECLIT.**—This is the name of an action at law by civil process, by which a person seeks to recover damages for false statements made by one party in respect of another party, when, through such false statements the first person has suffered in a pecuniary sense. Thus, A opens negotiations of a business character with B, but before coming to terms he inquires of B's standing from a third person C. C gives a favourable answer, and A is induced to transact with B, and A suffers a heavy loss. Can he make C responsible for that loss? Under certain conditions he undoubtedly can do so.

But in his character as plaintiff A must prove certain things. First, he must show that the statements of C were false; secondly, that they were made fraudulently, *i.e.*, that C made them recklessly, not caring whether they were true or not, even if it cannot be asserted that they were made with a distinct fraudulent intent; thirdly, that the statements made were the direct cause of A's entering into the transaction with B, which resulted in the damage sustained; fourthly, that the representations of C were made in writing. This last requisite is all important, and yet it frequently happens that persons are satisfied with verbal assurances. If a verbal assurance alone has been given, there is no right of action. This is specially provided for by an Act of 1828—commonly known as Lord Tenterden's Act—under which it is provided that no one who has made any representation as to the conduct, character, credit, ability, etc., of another, in order to induce people to trust him, shall be liable to an action for deceit or false representation, unless his statement is in writing and signed by him.

**DECIGRAMMA.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY)

**DECILITRO.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY)

**DECIMAL COINAGE.**—A system of coinage under which the divisions are in tens or multiples of tens. The decimal coinage, as it works in other countries, is fully shown in the article METRIC SYSTEM. A decimal coinage has been suggested for England. The sovereign would, under it, be still the unit of value. The divisions of the £ would be into 10 florins, each florin being divided into 10 cents, and each cent into 10 mils. Thus, the florin would be one-tenth of a £, the cent one-hundredth of a £ (about 2½d), and the mil one-thousandth of a £ (about ¼d).

**DECIMAL SYSTEM.**—This is the system of weights and measures, and also of coinage, under which the calculations connected with the same are made by decimal divisions, or tenths. The system has now become the one in use in most of the continental countries of Europe, and also in the United States of America. There is no doubt that its claim to simplicity is most thoroughly justified, although it is admitted that there is a drawback in this respect, that the number 10 is not divisible by either 3 or 4 without the introduction of fractions. But, in spite of this, it is extremely probable that, sooner or later, the decimal system will be the only one in use in civilized countries. The most perfect example of the system is to be found in France, though the same principle obtains, as far as the coinage is concerned, in Belgium, Italy, Portugal, Spain, and the United States of America. In the French measures of length, the Greek words *deca*, *hecto*, *kilo*, and *myria* are prefixed to the higher denominations the unit being the metre of 39.37 English inches. The lower denominations are marked by the Latin words *deci*, *centi*, and *milli*. In money, the *franc* is the unit; a *décime* is the tenth part of a franc, and a *centime* the hundredth part. The coinage of the United States of America, which was made decimal in 1786, consists of the *eagle*, of 10 dollars, the *dollar*, of 10 dimes, and the *dime*, of 10 cents; but, of these denominations, *dollars* and *cents* are the only ones commonly used.

Many attempts have been made to introduce a decimal coinage into this country, but without success. The decimal system is now legally

belonging to or occupied by the enemy. In accordance with the Declaration of Paris of 1856, "a blockade, in order to be binding, must be effective, that is to say, it must be maintained by a force sufficient really to prevent access to the enemy's coastline." The question whether a blockade is effective is a question of fact. A blockade is not regarded as raised if the blockading force is temporarily withdrawn on account of stress of weather. A blockade must be applied impartially to the ships of all nations. The commander of a blockading force may give permission to a warship to enter, and subsequently to leave, a blockaded port. In circumstances of distress, acknowledged by an officer of the blockading force, a neutral vessel may enter a place under blockade and subsequently leave it, provided that she has neither discharged nor shipped any cargo there. A blockade, in order to be binding, must be declared and notified. A declaration of blockade is made either by the blockading Power or by the naval authorities acting in its name. It specifies—

(1) The date when the blockade begins, (2) the geographical limits of the coastline under blockade, (3) the period within which neutral vessels may come out. A declaration of blockade is notified—

(1) To neutral Powers, by the blockading Power by means of a communication addressed to the governments direct, or to their representatives accredited to it; (2) to the local authorities, by the officer commanding the blockading force. The liability of a neutral vessel to capture for breach of blockade is contingent on her knowledge, actual or presumptive, of the blockade. Failing proof to the contrary, knowledge of the blockade is presumed if the vessel left a neutral port subsequently to the notification of the blockade to the Power to which such port belongs, provided that such notification was made in sufficient time. If a vessel approaching a blockaded port has no knowledge, actual or presumptive, of the blockade, the notification must be made to the vessel itself by an officer of one of the ships of the blockading force. This notification should be entered in the vessel's log-book, and must state the day and hour, and the geographical position of the vessel at the time. Neutral vessels may not be captured for breach of blockade, except within the area of operations of the warships detailed to render the blockade effective. The blockading forces must not bar access to neutral ports or coasts. Whatever may be the ulterior destination of a vessel or of her cargo, she cannot be captured for breach of blockade, if, at the moment, she is on her way to a non-blockaded port. A vessel which has broken blockade outwards, or which has attempted to break blockade inwards, is liable to capture so long as she is pursued by a ship of the blockading force. If the pursuit is abandoned, or if the blockade is raised, her capture can no longer be effected. A vessel found guilty of breach of blockade is liable to condemnation. The cargo is also condemned, unless it is proved that at the time of the shipment of the goods the shipper neither knew nor could have known of the intention to break the blockade.

**Contraband of War—Absolute Contraband.** The following articles may, without notice, be treated as contraband of war, under the name of absolute contraband. (1) Arms of all kinds, including arms for sporting purposes, and their distinctive component parts; (2) projectiles, charges, and cartridges of all kinds, and their distinctive component parts, (3) Powder explosives specially prepared for use in war,

(4) Gun-mountings, limber boxes, limbers, military wagons, field forges, and their distinctive component parts, (5) Clothing and equipment of a distinctly military character, (6) All kinds of harness of a distinctly military character, (7) Saddle, draught, and pack animals suitable for use in war, (8) Articles of camp equipment, and their distinctive component parts, (9) Armour plates, (10) Warships, including boats, and their distinctive component parts, of such a nature that they can only be used on a vessel of war, (11) Implements and apparatus designed exclusively for the manufacture of munitions of war, for the manufacture or repair of arms, or war material for use on land and sea. Articles exclusively used for war may be added to the list of absolute contraband by a declaration, which must be notified. Such notification must be addressed to the Governments of other Powers, or to their representatives accredited to the Power making the declaration. A notification made after the outbreak of hostilities is addressed only to neutral Powers.

**Conditional Contraband.** The following articles susceptible of use in war, as well as for purposes of peace, may, without notice, be treated as contraband of war, under the name of conditional contraband. (1) Food-stuffs (2) Forage and grain, suitable for feeding animals (3) Clothing, fabrics for clothing, and boots and shoes, suitable for use in war (4) Gold and silver in coin or bullion, paper money (5) Vehicles of all kinds available for use in war, and their component parts. (6) Vessels, craft, and boats of all kinds, floating docks, parts of docks, and their component parts (7) Railway material, both fixed and rolling stock, and material for telegraphs, wireless telegraphs, and telephones (8) Balloons and flying machines and their distinctive component parts, together with accessories and articles recognisable as intended for use in connection with balloons and flying machines (9) Fuel, lubricants (10) Powder and explosives not specially prepared for use in war (11) Barbed wire and implements for fixing and cutting the same (12) Horseshoes and shoeing materials (13) Harness and saddlery (14) Field glasses, telescopes, chronometers, and all kinds of nautical instruments. Articles susceptible of use in war, as well as for purposes of peace, may be added to the list of conditional contraband by a declaration which must be notified. If a Power waives, so far as it is concerned, the right to treat as contraband of war an article comprised in the absolute contraband list or the conditional contraband list, such intention shall be announced by a declaration, which must be notified.

**Not Contraband.** Articles which are not susceptible of use in war may not be declared contraband of war. The following may not be declared contraband of war: (1) Raw cotton, wool, silk, jute, flax, hemp, and other raw materials of the textile industries, and yarns of the same (2) Oil seeds and nuts, copra (3) Rubber, resins, gums, and lacs, hops (4) Raw hides and horns, bones, and ivory (5) Natural and artificial manures, including nitrates and phosphates for agricultural purposes. (6) Metallic ores (7) Earths, clays, lime, chalk, stone, including marble, bricks, slates, and tiles (8) Chinaware and glass (9) Paper and paper-making materials (10) Soap, paint, and colours, including articles exclusively used in their manufacture, and varnish (11) Bleaching powder, soda ash, caustic soda, salt cake, ammonia, sulphate of

**Destruction of Neutral Prizes.** A neutral vessel which has been captured may not be destroyed by the captor, she must be taken into such port as is proper for the determination there of all questions concerning the validity of capture. As an exception, a neutral vessel which has been captured by a belligerent warship, and which would be liable to condemnation, may be destroyed if the taking of the vessel into port would involve danger to the safety of the warship or to the success of the operations in which she is engaged at the time. Before the vessel is destroyed all persons on board must be placed in safety, and all the ship's papers and other documents which the parties interested consider relevant for the purpose of deciding on the validity of the capture, must be taken on board the warship. A captor who has destroyed a neutral vessel must, prior to any discussion respecting the validity of the prize, establish that he only acted in the face of an exceptional necessity of the nature above-mentioned. If he fails to do this, he must compensate the parties interested, and no examination shall be made of the question whether the capture was valid or not. If the capture of a neutral vessel is subsequently held to be invalid, though the act of destruction has been held to have been justifiable, the captor must pay compensation to the parties interested, in place of the restitution to which they would have been entitled. If neutral goods not liable to condemnation have been destroyed with the vessel, the owner of such goods is entitled to compensation. The captor has the right to demand the handing over of, or to proceed himself to the destruction of, any goods liable to condemnation found on board a vessel not herself liable to condemnation, provided that the circumstances are such as would justify the destruction of a vessel herself liable to condemnation. The captor must enter the goods surrendered or destroyed in the log-book of the vessel stopped, and must obtain duly certified copies of all relevant papers. When the goods have been handed over or destroyed, and the formalities duly carried out the master must be allowed to continue his voyage.

**Transfer to a Neutral Flag.** The transfer of an enemy vessel to a neutral flag, effected before the outbreak of hostilities, is valid, unless it is proved that such transfer was made in order to evade the consequences to which an enemy vessel, as such, is exposed. There is, however, a presumption, if the bill of sale is not on board a vessel which has lost her belligerent nationality less than sixty days before the outbreak of hostilities, that the transfer is void. This presumption may be rebutted. Where the transfer was effected more than thirty days before the outbreak of hostilities, there is an absolute presumption that it is valid if it is unconditional, complete, and in conformity with the laws of the countries concerned, and if its effect is such that neither the control of, nor the profits arising from the employment of, the vessel remain in the same hands as before the transfer. If, however, the vessel lost her belligerent nationality less than sixty days before the outbreak of hostilities, and if the bill of sale is not on board, the capture of the vessel gives no right to damages. The transfer of an enemy vessel to a neutral flag, effected after the outbreak of hostilities, is void unless it is proved that such transfer was not made in order to evade the consequences to which an enemy vessel, as such, is exposed. There is, however, an absolute presumption

that a transfer is void—(1) if the transfer has been made during a voyage or in a blockaded port; (2) if a right to re-purchase or recover the vessel is reserved to the vendor, (3) if the requirements of the municipal law governing the right to fly the flag under which the vessel is sailing, have not been fulfilled.

**Enemy Character.** Subject to the provisions respecting transfer to another flag, the neutral or enemy character of a vessel is determined by the flag which she is entitled to fly. The case where a neutral vessel is engaged in a trade which is closed in time of peace remains outside the scope of, and is in no wise affected by, this rule. The neutral or enemy character of goods found on board an enemy vessel is determined by the neutral or enemy character of the owner. In the absence of proof of the neutral character of goods found on board an enemy vessel, they are presumed to be enemy goods. Enemy goods on board an enemy vessel retain their enemy character until they reach their destination, notwithstanding any transfer effected after the outbreak of hostilities while the goods are being forwarded. If, however, prior to the capture, a former neutral owner exercises, on the bankruptcy of an existing enemy owner, a recognised legal right to recover the goods, they regain their neutral character. Neutral vessels under national convoy are exempt from search. The commander of a convoy gives, in writing, at the request of the commander of a belligerent warship, all information as to the character of the vessels and their cargoes, which could be obtained by search. If the commander of the belligerent warship has reason to suspect that the confidence of the commander of the convoy has been abused, he communicates his suspicions to him. In such a case it is for the commander of the convoy alone to investigate the matter. He must record the result of such investigation in a report, of which a copy is handed to the officer of the warship. If, in the opinion of the commander of the convoy, the facts shown in the report justify the capture of one or more vessels, the protection of the convoy must be withdrawn from such vessels.

**Resistance to Search.** forcible resistance to the legitimate exercise of the right of stoppage, search and capture, involves in all cases the condemnation of the vessel. The cargo is liable to the same treatment as the cargo of an enemy vessel. Goods belonging to the master, or owner of the vessel, are treated as enemy goods.

**Compensation.** If the capture of a vessel or of goods is not upheld by the prize court, or if the prize is released without any judgment being given, the parties interested have the right to compensation, unless there were good reasons for capturing the vessel or goods.

The one subject of the programme which has found no mention in the Declaration is the conversion of merchant-vessels into men-of-war on the high seas. The question was one of those which had been left unsolved by the second Peace Conference, and so decided was the division of opinion subsequently revealed by the memoranda exchanged by the several governments before the meeting of the Naval Conference, that it was found impossible to state, in the shape even of a mere basis of discussion, an underlying general principle commonly accepted.

The Declaration of London has not yet received the formal adhesion of the Powers represented.

the creditors can agree amongst themselves upon an arrangement by which the debtor's property is handed to a trustee, and the debtor is allowed to continue his business, the creditors probably gain in the long run. These objects are attained by causing the debtor to enter into what is known as "a deed of arrangement."

"Deeds of Arrangement" may conveniently be dealt with under the following heads: (a) Nature and object of deed, (b) steps to be taken for making a deed, (c) form and registration, (d) duties of trustee, (e) avoidance of a deed.

(a) **Nature and Object of a Deed.** The term "Deed of Arrangement" includes certain instruments made by a debtor for the benefit of his creditors generally, that is to say (1) An assignment of property, (2) a deed of, or agreement for, a composition, and, in cases where creditors of a debtor obtain any control over his property or business—(3) a deed of inspectorship entered into for the purpose of carrying on or winding up a business, (4) a letter of licence authorising the debtor or any other person to manage, carry on, realise, or dispose of a business with a view to the payment of debts, and (5) any agreement for carrying on or winding up the debtor's business, or authorising him or any other person to manage, carry on, realise, or dispose of that business with a view to the payment of his debts. Under a deed of composition, creditors agree to realise and discharge a debtor in consideration of receiving a composition payable at a stated time or in instalments, the creditors further covenanting not to sue the debtor unless and until he make default in the terms of the arrangement. Under a "deed of assignment," a debtor assigns his property to a trustee in trust to realise the same, and after payment of the expenses, to distribute the balance *pari passu* amongst the assenting creditors, who, in consideration of (1) the assignment and (2) the dividends received (if any), mutually forbear in respect of, and release the debtor from, the debts owing to them.

An advantage of a deed of arrangement is the absence of official interference in the administration of the estate and the conduct of the bankrupt's business.

(b) **Steps to be Taken for Making a Deed.** A debtor who desires to make a deed of arrangement calls his creditors together. By doing so, of course, he commits an act of bankruptcy (see ACTS OF BANKRUPTCY), but as the assignment itself is an act of bankruptcy, this will not be matter of great importance. An accountant is generally asked to act as trustee under the deed. At the meeting, the creditors decide whether the deed shall be accepted or not, and in order that the transaction may be declared good, the trustee should pay attention to the following points—

(1) The creditors must be treated equally, that is to say, no creditor must get any advantage.

(2) A full disclosure should be made of the debtor's affairs.

(3) The amount of the assets should not on any account be overstated. If the assets are misrepresented the assenting creditors are not bound.

(4) The trustee should obtain the special assent of the creditors to a clause in the deed enabling him to settle the claims of dissentient creditors.

(c) **Form and Registration.** The debtor, one or more trustees and the creditors are parties, and the deed is usually expressed as being "for

the benefit of such creditors as shall elect to execute the same." Sometimes a clause is inserted specifying the time within which the creditors must come in, if they intend to come in at all. The deed usually assigns to the trustee all the debtor's property, except household articles and wearing apparel. He receives it on trust, it may be to sell, and to apply the proceeds in manner provided by the deed. It is well to exclude leasehold property subject to onerous covenants, and shares upon which there is a liability for calls. The trustee is given power (a) to realise the estate and apply the proceeds as may be decided upon, (b) to pay the expenses of calling the meeting and preparing the deed, (c) to pay his own remuneration, which may be a fixed sum, a percentage on the assets realised, or the ordinary accountant's charges, (d) to pay all preferential claims as are payable under the rules in bankruptcy, (e) to pay to the creditors dividends upon the amount of their debts, (f) to hand over the surplus, if any, to the bankrupt. Sometimes a clause is added to indemnify the trustee in case of bankruptcy supervening. The deed also contains clauses reserving the rights of any secured creditors against their sureties. Were a creditor to assent without such a clause, he might release his surety. Finally, the deed should contain a clause by which all the creditors who take benefits under the deed give the debtor a release of their debts, or enter into a covenant not to sue for those debts. In order to give persons dealing with traders notice of any arrangement with creditors, the Deed of Assignment Act, 1887, provides that every deed must be registered within seven days after the first execution thereof by the debtor or any creditor, otherwise it is void. A copy of the deed, and every schedule thereto annexed, must be filed, together with an affidavit verifying the time of execution, the place of business of the debtor, the total amount of the property and liabilities included under the deed, the amount of the composition payable, and the names and addresses of his creditors. A deed will not be registered unless it is stamped. Creditors may execute the deed subsequent to registration. The register is open to the public inspection.

(d) **Duties of Trustee.** The accountant who represents the largest creditor is generally made trustee under the deed. If he honestly exercises his discretion, he incurs no responsibility. He can consult the committee of inspection, if there is one, or call a meeting of the creditors. If he has to bring an action, he has a charge on the estate for the costs, but if the estate is small he should get an indemnity from the creditors. Where debts are due to the estate he may collect them, and may sue for them in his own name, but until the deed has ceased to be available as an act of bankruptcy (i.e., until after it has been executed for three months) the trustee cannot give a debtor to the estate a valid discharge, and the debtor might have to pay twice over. A trustee generally keeps a sum of money in hand to meet unexpected liabilities. The trustee must account for all moneys received by him, and must give information to any creditor as to all moneys received and paid away by him. He may even have to account after he has been removed from the office of trustee, and may also have to account to the Board of Trade.

(e) **Avoidance of a Deed.** If an assignment is made to enable the debtor to retain some property for his own benefit, although it is said to be for the benefit of the creditors, it may be avoided at any

invariably commences with these words: "Know all men by these presents that I, A B, etc." A common instance of the execution of a deed poll is where a person changes his or her name. Again, where a tenant in tail (*q v*) disentails his lands, it is by means of a deed poll, though it is just possible that other acts will have to be done as well in order to complete the disentailment. A deed poll must be stamped like any other deed, *i e*, with a 10s stamp.

**DEER.**—Hoofed quadrupeds, of which there are many species, such as the red deer, reindeer, stag, etc. They are distinguished by their antlers, which are outgrowths from the frontal bones. These are shed and renewed annually, and are very valuable in commerce for knife handles and as ornaments. The flesh of deer is known as venison, and the skins are used for rugs, etc. Deer are found in many parts of Europe, Asia, and America, but Great Britain's imports of skins and antlers come mainly from India and South America.

**DEFAMATION.**—Under this heading are included the two wrongs which are known to English law under the titles of libel and slander. It is only intended to deal with this subject in the briefest outline, since there are so many technicalities connected with the same that no adequate treatment would be possible, except in a volume devoted exclusively to the subject.

Libel is the malicious publication of untrue statements, either by writing, printing, or the like signs, without just cause or excuse, which expose or tend to expose another person to hatred, contempt, or ridicule, or are calculated to injure him in his business. First, as to libel and its remedy at civil law. The plaintiff must show that the statements made concerning him are untrue. (Truth is always a complete answer to a civil action.) In pleadings (*q v*) the plaintiff always avers, in addition to the charge of falsehood, that the statements are made maliciously. This word "maliciously" has a special meaning in this sense, and is not confined to what is commonly understood by the term. It is sufficient if the thing is done without any semblance of right. Then publication must be established, *i e*, it must be shown that the writing, etc., has been communicated to some person or persons other than the plaintiff. Very little is required to prove publication if the defendant acts with a certain amount of carelessness and allows the intervention of a third person in making his communications, even to the plaintiff himself. Thus, the dictation of a defamatory letter, addressed to the plaintiff by the writer of the same, to a shorthand-typist has been held to be a sufficient publication. But in such a case the plaintiff will not always obtain much satisfaction unless the case is one of a very gross character. For it is to be remembered that the awarding of damages is entirely in the hands of a jury, and in their award every circumstance will be taken into consideration.

Closely connected with the subject of a personal libel is that which is known as a trade libel, when an attack is made not upon an individual, but upon the goods, etc., which he manufactures. It is closely analogous to the personal kind of libel, and it must be made falsely and maliciously, in such a manner as to be likely to damage the goods attacked. There is no legal wrong in a man's praising his own goods in the most inordinate fashion, but if he embarks upon this course he must not make comparisons with other people's goods in such a manner

as to bring the latter into "hatred, contempt, or ridicule."

In addition to the civil action spoken of above, there is also, under certain circumstances, a remedy under the criminal law. Thus, if one man makes a violent attack upon another, accusing him in a manner somewhat more severe than would give rise to a civil action, criminal proceedings may be instituted, and, upon conviction, a defendant may be fined or imprisoned. In such a case there are two points of difference to be noted in comparing the two proceedings. As to publication. The publication is sufficient if sent to the person libelled. The intervention of a third party is not absolutely essential. The reason for this is that libels may give rise to a breach of the peace, and, therefore, the criminal law steps in to prevent such a breach. And also, whereas in a civil libel action truth is a complete answer, in a criminal action it is no answer at all, unless it is shown that the publication of the libel was for the public benefit.

In a civil action for damages, it has been pointed out above that the amount is a question for the jury. It is not necessary for the plaintiff to prove that he has suffered any loss, pecuniary or otherwise, in any particular way. In legal language, it is not essential to prove "special" damage. Naturally, the views taken by a jury will vary considerably in different cases, and when the verdict is of a contemptuous character, *e g*, when one farthing is awarded as damages, the presiding judge may refuse to give the plaintiff his costs of the action.

Slander is defamation by words spoken and not written. The nature of the words must be similar to that in the case of libel, and there must be publication to a third person. But there is no criminal action for slander. The civil remedy is the only one. And, even then, there is no right of action in the absence of clear proof of special damage, *i e*, unless the plaintiff can prove that he has sustained loss or harm directly through the publication of the slanderous words, except in four cases. (1) Where the words charge the plaintiff with having committed some criminal offence. (2) where they impute to him a contagious infectious disease. (3) where they are spoken of him as a professional or business man, and (4) where they impute unchastity or adultery to a woman. Truth is always a complete answer to slander as it is to libel.

It is unnecessary to do more than to mention what is known as "seditious libel." This consists, curiously enough, of spoken words, though called by its special name under statutory sanction. It consists of language tending to damage the maintenance of peace and order within the kingdom.

Every civil action for libel or slander must be commenced in the High Court, but if good cause is shown, it may afterwards be remitted from the High Court to some county court for the purpose of trial.

**DEFAULT.**—The failure on the part of a person to fulfil an obligation or duty—legal or other. Thus, if a person is called upon to pay a certain debt on or before a fixed date, if that date passes and the debt is not settled, he is in default. Again, a trustee or any other person in a fiduciary capacity who in any way misapplies moneys committed to his charge is in default. In legal procedure certain rules are laid down as to the times within which particular things must be done. Such are the entry of an appearance to a writ, the delivery of pleadings



**DEFEASANCE.**—This word is derived from the French *défaire*, which means "to undo."

A document containing a condition upon the fulfilment of which the contract contained in the deed to which it refers is defeated or rendered void. The condition itself is also called a defeasance. Thus in the case of an ordinary money bond, the acknowledgment of indebtedness is followed by a clause which renders the bond null and void if the money due under the bond is actually paid.

**DEFENCE.**—This is the name of the formal document in which a defendant puts forward the case which he intends to set up against the allegations contained in the plaintiff's statement of claim (*qv*). (See *PLEADINGS*.)

**DEFENDANT.**—The person who is sued in any action in a court of justice and who opposes the claim that is made against him. Technically, this is also the name of an accused person in criminal cases, when the charge is one of misdemeanour (*qv*) and not felony (*qv*), the name "prisoner" being used in the latter case.

**DEFERRED ANNUITY.**—An annuity payable after the expiration of a certain agreed number of years. When once it has commenced to run, it may be either perpetual or it may be limited to terminate on the happening of a particular event. The present value of such an annuity must depend on many contingencies, and if the proposed annuitant dies before the first payment becomes due the premium is lost.

Deferred annuities—old age pay—can be purchased at any post office savings bank. The rates are given in the *Post Office Guide*. (See *ANNUITY*.)

**DEFERRED BONDS.**—Bonds which bear a gradually increasing rate of interest up to a certain rate agreed upon, when they are exchanged for active bonds bearing a fixed rate of interest payable in full from the date of issue.

**DEFERRED REBATES.**—The payment of deferred rebate is the return, after a certain length of time, of an allowance or discount by the shipowner to the shipper. Instead of the primage being paid to the captain of the ship for his care of the cargo, the primage is returned to the shipper under the form of deferred rebate. The rate of primage varies according to the usages of different ports, but we will take, as an instance, that it is £10 per cent. The cost of freight on a shipment of goods is £100 and the primage £10. This amount of £10 will be returned by the shipowner to the shipper at a time decided by the shipowner, or by the "ring" of shipowners of which he is a member, and to whose rules he is subject. The deferred rebate may be returned at one time, or it may be paid in two lots of 5 per cent, one at the end of, say, six months and the other at the end of twelve months. The shipowners then always hold in hand a certain percentage on the freight paid by any firm of shippers. If the shipper decided to break away from the conference or ring by which he ships his goods, in order to have the goods carried at a cheaper rate of freight by a line of steamers outside the conference, he would forfeit his rebate. Thus the shipper cannot afford to lose, and the hold on him is further strengthened by some of the big firms by the distribution of a further 5 per cent of what is known as "secret rebate." This is secretly distributed among a number of privileged firms, and the manner or method of division and distribution is kept a profound secret by the participants. The shipping companies claim that

the system of deferred rebate has facilitated and made more regular the opportunities for shipment, has eliminated the speculative element in rates of freight, has reduced the rates of marine insurance, and has resulted in the better out-turn of the cargo.

**DEFERRED STOCK or SHARES.**—Stock or shares which do not entitle the holders to any dividend upon them until the claims of prior shareholders, preference or ordinary, have been satisfied. Founders' shares (*qv*) in joint stock companies are often of this kind.

By the Regulations of Railways Act, 1868, railway companies have special powers granted to them, under certain conditions, for converting their ordinary stock into two classes, preferred ordinary and deferred ordinary.

**DEFICIENCY ACCOUNT.**—A Deficiency Account is to be rendered in all cases of Bankruptcy and Compulsory Liquidation. It is also used in private arrangements with creditors under the Deeds of Arrangement Act, 1887. The object of the Deficiency Account is to explain the various losses, expenses, etc., which have contributed to bring about the position shown on the front sheet of the Statement of Affairs.

Where double-entry books are in use, these should first be completed by the inclusion of the value of the stock-in-trade, which will have been accurately taken. The nominal accounts should then be closed, and the Profit and Loss Account and Balance Sheet made out. Next, as explained in the article on Statement of Affairs, private assets and private or contingent liabilities should be entered in the books, being credited or debited to an Adjustment Account. Differences between book and realisable values of assets will be credited to the account for the particular asset and debited to the Adjustment Account, or *vice versa*.

When all assets and liabilities are stated in the books at the proper figures, the Statement of Affairs can be prepared. The material for the Deficiency Account can then be obtained from the trader's Capital Account, Drawings Account, and the Profit and Loss Accounts and Adjustment Account.

The Deficiency Account in Bankruptcy commences at a date twelve months before the date of the Receiving Order, or such other time as the Official Receiver may fix. In Compulsory Liquidation the Deficiency Account must cover a period of three years before the date of the Winding-up Order, and the form of account is slightly different when the Company has been floated within the three years, there being in the latter case neither surplus nor deficiency with which to commence the Deficiency Account, in consequence of the fact that limited companies are floated on an equality of assets and liabilities. Again, in the form prescribed for Limited Companies, the various expenses constituting, with gross profit, the Profit and Loss Account, are shown separately, and directors' fees and dividends paid are also stated.

Assuming the date selected as the commencement of the period to be covered by the Deficiency Account of a trader is one at which a Balance Sheet was prepared, the excess of assets over liabilities, or *vice versa*, can be inserted as per the Balance Sheet. Next, the subsequent Profit and Loss Accounts should be taken, and the net profits, losses, after eliminating Bad Debts (which should be shown separately), can be inserted. The private drawings of the debtor should be analysed, and a

the expiration of EIGHT Days from the date of service of this Summons, inclusive of the day of such service, and without returning the Notice of Intention to Defend, you will avoid further Costs.

If you do not return the Notice of Intention to Defend, but allow Judgment against you by Default you will save Half the Hearing Fee, and the Order upon such Judgment will be to pay the Debt and Costs forthwith, [or by instalments, (to be specified as in Plaintiff's written consent)].

If you admit a part only of the Claim, you must return the Notice of Intention to Defend within the time specified on the Summons; and you may, by paying into the Registrar's Office at the same time the amount so admitted, together with Costs proportionate to such amount, avoid further Costs unless the Plaintiff proves at the trial an amount exceeding your payment.

[If you return the notice of Intention to Defend, you may pay the Debt and Costs, or, if you admit a part only of the Claim, the amount so admitted, together with Costs proportionate to such amount, into the Registrar's office at any time before the action is called on for trial, and by so doing you may avoid further Costs, unless the Plaintiff proves at the trial an amount exceeding your payment, or the Judge orders you to pay any further Costs properly incurred by the Plaintiff before receiving notice of such payment.]

If you intend to dispute the Plaintiff's Claim on any of the following grounds—

- 1 That the Plaintiff owes you a debt which you claim should be set off against it;
- 2 That you were under Twenty-one when the debt claimed was contracted,
- 3 That you were then, or are now, a married woman,
- 4 That the debt claimed is more than six years old,
- 5 That you have been discharged from the Plaintiff's claim under a Bankrupt or Insolvent Act;
- 6 That you have already tendered to the Plaintiff what is due,
- 7 That you have a Statutory or Equitable Defence,

You must give notice thereof to the Registrar FIVE CLEAR DAYS before the day fixed for the trial and such notice must contain the particulars required by the County Court Rules; and you must deliver to the Registrar as many copies of such notice as there are Plaintiffs, and an additional Copy for the use of the Court. If your DEFENCE be a SET-OFF, you must, with the Notice thereof, also deliver to the Registrar a statement of the particulars thereof. If your DEFENCE be a TENDER you must pay into Court the amount tendered.

[If the Debt or Claim exceeds five pounds you may have the Action tried by a Jury, on giving notice in writing at the Registrar's office TEN CLEAR DAYS before the day fixed for the trial, and on payment of eight shillings for the fees of such Jury.]

Summonses for witnesses and for the production of documents by them will be issued upon application at the office of the Registrar of this Court, upon payment of the proper fee.

Order II  
Rule 23

No of Plaint O o 796

The Summons of which this is a

true copy [add, if so, with copy of  
affidavit annexed] was served by

me, the undersigned, personally on

the Defendant ,

at

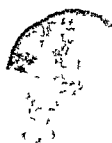
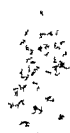
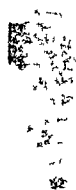
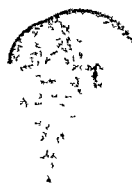
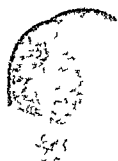
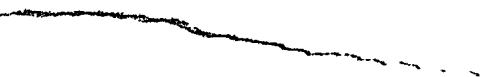
on the day of

1912

Bailiff  
to sign  
full  
names

Bailiff of the

County Court



expenses other than household expenses separately stated. Then any items credited to the Adjustment Account and representing private assets brought into the business may be stated on the left hand side of the Deficiency Account, whilst the entries to the debit of the Adjustment Account will supply the information necessary to show, on the right hand side of the Deficiency Account, amounts written off assets in the Statement of Affairs, private liabilities brought into the Statement of Affairs, and any losses or expenses which it is deemed advisable to show separately, either from the Profit and Loss Accounts or from the analysis of the debtor's private drawings.

In practice it is not often possible to draw up a correct Deficiency Account by reason of the books being incomplete and time being limited. In consequence, the Deficiency Account often consists of a number of estimated amounts constructed from more or less reliable information, and it is frequently a fact that a bankrupt is unable to account satisfactorily for his deficiency.

**DEFICIENCY BILL.**—The term used to denote a bill given by the Government to the Bank of England to make up any deficiency shown upon paying the dividends on the Government Stocks. These bills require to be paid off before the end of each quarter, and the rate of interest charged is half the Bank of England rate of discount, with a maximum rate of interest of 3 per cent.

**DEFUNCT COMPANY.**—On the registration of the memorandum of association of a company (see REGISTRATION OF COMPANY), the registrar issues a certificate of incorporation (*q.v.*), and a new legal entity comes into being. The company, once being established, cannot come to an end unless it is wound up (see WINDING-UP), or unless it becomes defunct under the provisions of Section 242 of the Companies (Consolidation) Act, 1908. By this Section, if the registrar has reasonable grounds for believing that a company is not carrying on business, he is empowered to send a letter of inquiry to the company asking for particulars as to its business. If he receives no reply to this letter within a month, he must then send another letter, registered this time, within fourteen days after the termination of the month, referring to his previous communication and again asking for particulars, at the same time pointing out the consequences which will probably follow if no reply is sent to him. After the lapse of another month, and no reply having been received, it is the duty of the registrar to publish a notice in the *Gazette* that, unless good cause is shown to the contrary, the name of the company will be struck off the register of companies. The company will then become defunct or dissolved. Under certain conditions, if a company is being wound up and the liquidation is not proceeded with in due course, a similar procedure will be adopted and the like result will ensue.

**DEL CREDERE AGENT.**—This expression denotes an agent who, either in consideration of extra remuneration or a higher rate of commission, or as a term of his appointment, undertakes to keep his principal indemnified against loss from the failure to carry out their contracts of persons with whom the principal contracts on the introduction or through the mediation of the agent. Such an undertaking is not an agreement to answer for the debt, default or miscarriage of another within the meaning of the Statute of Frauds (*q.v.*), and need not,

therefore, be evidenced by writing signed by the agent, nor need the appointment of such an agent be made in writing, since this special term of the agency may be either expressly stated on the appointment of the agent, or implied from the fact that the agent charges a higher commission than is usually paid to an agent who does not undertake this additional risk. A relationship something akin to that of *del credere* agency is sometimes created by the usage of a particular trade or business, which may establish an exception to the general rule that an agent is under no personal liability to his principal upon any contracts made on the principal's behalf; such a usage exists in the case of marine insurance brokers, who are personally responsible to the underwriters for the premiums on the policies effected through them. A distinction must be drawn between the liability of a *del credere* agent to his principal, and that of an agent to the third party, which may arise either because the agent exceeds his authority or is acting for a foreign principal, or for the other reasons which are mentioned in the article on AGENCY (*q.v.*).

**DELEGATE.**—There is a maxim in English law, *delegatus non potest delegare*, which means that where an agent is authorised to do any act, he cannot delegate his authority, but must perform it himself. The rule is based on the personal and confidential nature of the contract of agency, and precludes auctioneers, brokers, and similar persons from employing deputies or sub-agents. The rule is, however, subject to various exceptions. If the principal knew, when he appointed the agent, that the agent intended to delegate his authority, or if from the conduct of the principal and agent one might reasonably infer an intention that delegation should take place, the principal is bound by the delegation. Such an inference arises if the act is purely ministerial, involving no confidence or discretion, *e.g.*, an authority to indorse a particular bill, or if it is one of such a kind as to necessitate its execution wholly or in part by means of a deputy or sub-agent. Thus, a country solicitor has an implied authority to act through his London agent when necessary or usual in the ordinary course of business, and the acts of such an agent in the matter entrusted to him bind the client. The power of delegation may also be inferred from the usage of a particular business, *e.g.*, if a shipowner employs an agent to sell a ship at any port where the ship may from time to time, in the course of her employment under the charter, happen to be, an appointment of substitutes at ports other than those where the agent himself carries on business is a necessity, and may reasonably be presumed to be in the contemplation of the parties.

Such a usage of trade must not, however, be unreasonable, nor must it be inconsistent with the express terms of the agent's authority or instructions.

**DELIVERY BOOK.**—This is the book in which are entered all particulars of goods which are sent out by carriers and others. The book acts as a species of receipt, for when the goods are delivered at any particular address, the person receiving the same signs his name in the book and thus signifies that he has accepted them.

**DELIVERY OF BILL.**—By Section 2 of the Bills of Exchange Act, 1882, delivery is defined as transfer of possession, actual or constructive, from one person to another.

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**DELIVERY OF BILL.**—By Section 2 of the Bills of Exchange Act, 1882, delivery is defined as transfer of possession, actual or constructive, from one person to another.

also new buyers to advance and old ones to buy more than they could have been induced to buy at the first price. Eventually a point is again reached at which an equation is established between the amount offered for sale at the price and the amount that will be bought at the price, and at this price there will be the maximum amount of exchange—more buyers and settlers will attain their purpose. Such an ideal market is approximately presented by the Stock Exchange.

**Demand and Supply**, therefore, are both affected by value or price, a high price stifles Demand and stimulates Supply. Many a corner has been a ruinous failure to its projectors because they had overlooked sources of supply which the high price had tapped. Similarly a low price promotes Demand and shuts off Supply. In what manner Demand and Supply vary under the influence of fluctuating price it is impossible to predict, though we may make broad distinctions. It would, for instance, require a very great rise of price materially to diminish the Demand for bread, and in times of dearth the Supply may be incapable of increase. A deficit in the Supply of one quarter may cause a rise of price possibly fourfold, before the equation is established. On the other hand, in order to call forth a greater Demand to carry off a more than ordinary Supply, a very great fall of price may be necessary. Articles, for which the Demand varies little for a rise or a fall of price, are said to be *inelastic*. Such are the articles which correspond to desires easily satiated, and of these bread is the type. People who already have enough will require little more on account of cheapness, increased consumption carries off a very small part of the extra Supply caused by a prolific harvest, and the fall of price is arrested only when farmers or other speculators who hold back in expectation of higher prices withdraw supplies. Other articles, however, answer to desires which are only very slowly satiated. Such are luxuries which appeal to a large class, cheap newspapers or novels, strawberries in July, ribbons and laces all the year. a fall in price stimulates a large increase in Demand, a rise in price means a corresponding decrease. Articles, the Demand for which is in this manner very sensitive to changes of price, are said to be *elastic*. On an average of years, taken over a period sufficiently long to allow temporary deviations to balance one another, the value, we have already seen, is determined by the cost of production, but for a short period the value of any article may be greatly above or greatly below the cost of production. If a nation goes into mourning the increased intensity of Demand for black cloth will cause the hitherto sufficient Supply to be greatly lacking. A rise of price will take place independently of the fact that by waiting till production has time to adjust itself to the new conditions, a Supply able to cope with the needs of all will be available. Temporarily, cost of production is displaced as the determining factor of value by Demand and Supply. If, owing to the vagaries of fashion, the desire of a number of the buyers of velvet were suddenly quenched, the existing Supply could be turned into money only by a great reduction in price. Permanently, and in the long run, the price of things corresponds to their cost of production, for short periods Demand and Supply are the controlling agencies of price.

**DEMAND DRAFT**.—This is the name given to a bill of exchange which is drawn payable at sight,

i.e., immediately upon presentation. It needs no acceptance, and naturally days of grace do not extend to it.

**DEMISE**.—The legal word used to signify the granting of a leasehold or similar interest in an estate by the owner thereof to a tenant.

**DEMONETISATION**.—This is a technical term used to signify the falling away of a coin from its position of a legal tender to that of being merely a token. (See **FOKEN MONEY**.)

**DEMURRAGE**.—Demurrage may be defined generally as a compensation paid by the shipper of goods to the shipowner for delay in taking his goods on board, or out of the ship which carries them, whether under a charter party or bill of lading. The days which are given to the charterer in a charter party either to load or unload without paying for the use of the ship are the lay days; then days are sometimes given also in favour of the charterer which are called demurrage days. These are days beyond the lay days, but during which he has to pay for the use of the ship in a fixed sum. This fixed sum may be an agreed rate of compensation for every "day," "weather," "working day," or "hour," occupied in loading or unloading beyond the lay days. The word demurrage, however, besides its strict meaning of an agreed compensation for delay in loading or discharging a ship, also includes damages becoming due to the shipowner for the detention of the ship in breach of the charter party or bill of lading, such damages may be in addition to demurrage proper, as when the ship is detained during all the agreed days on demurrage and longer, or they may be payable without any demurrage proper being due, if the charter party does not provide for days on demurrage. The term is also used, perhaps improperly, of detention of ships due to collisions, and their claims for compensation against the wrongdoer. Words have sometimes been introduced into the margin of a bill of lading, importing that the goods should be taken out of the ship within a certain time, or that, in default, a certain sum per day should be paid for every day afterwards, in such cases it has been decided that the person claiming and receiving the goods under the bill of lading is answerable for this payment; and thus although he may not have received notice of the arrival of the ship within the time, for it is his duty to inquire for and watch the ship's arrival, or although, the bill of lading not having arrived in time, the merchant expecting the goods may have demanded, and the master may have refused to deliver them without the production of the bill of lading, or of an indemnity, for the master has a right to insist on this.

**DENMARK**.—Position, Area, and Population. The kingdom of Denmark is one of the smallest, weakest, least fertile, and least populous of European States. With its colonies it includes the Peninsula of Jutland, the islands of Zealand, Falster, Fünen, Lolland, Langeland, Erøe, Moen, and Samsøe partly blocking the entrance to the Baltic, Laesøe and Anhøldt in the Kattegat, Bornholm in the Baltic, the Farøe Islands in the North Sea, Iceland (with an independent government, but owning the supremacy of the King) in the Arctic Ocean, the Arctic Island of Greenland; and St Thomas, St Croix, and St John in the West Indies. Denmark proper, including the Farøe Islands, has an area of approximately 15,600 square miles, and a population of about 2,700,000.







CASH.

[illegible]

**CONTRA.**

[illegible]

subsequently to the actual date of the contract of sale

(3) Money lodged with a banker at a fixed rate of interest, either as a permanent investment or for some definite period (See **DEPOSIT ACCOUNT**)

(4) Title deeds handed over as a security for a loan, these constituting what is called an equitable mortgage (*qv*), when there is no writing in existence to satisfy the Statute of Frauds (*qv*)

**DEPOSIT ACCOUNT.**—Instead of having a current account, or another account in addition to a current account, a person may leave in the hands of a banker sums of money which can only be withdrawn upon a certain number of days' notice. Upon this account, interest is allowed at rates which vary with different banks.

When money is left on deposit, the depositor takes a bank's deposit receipt for the same, though in some districts a special pass book is issued, as being less likely to be lost. This book is frequently practically the same as that issued by the Post Office Savings Bank. Each item in the book is initialled by the cashier receiving the money or making a payment, and the book must be produced each time a transaction takes place. A pass-book of this kind usually carries, in bold type, some such heading as the following: "Moneys in this account bear interest, and are subject to . . . days' notice when withdrawn. Interest to cease when notice is given. No payment will be made except upon production of this book."

**DEPOSIT BILL.**—The document given when snuff is abandoned and delivered up to the Crown. Full particulars are given as to the snuff to be abandoned, and the document is lodged at the Customs at the port of deposit. With it there is also lodged a signed statement that on receipt of the drawback (*qv*), it is intended to abandon the snuff to the Crown.

**DEPOSIT RATE.**—This is the rate of interest allowed by bankers and others upon sums of money placed with them upon deposit. In some cases the rate of interest is fixed, but at most London banks, and also at many country banks, the rate paid varies according to the Bank Rate (*qv*).

**DEPOSIT RECEIPT.**—This is a receipt given by bankers and others, when money is deposited with them, either at call or upon notice, and in it is specified the length of the notice to be given and the rate of interest payable. The form of deposit receipt used by bankers differs considerably, but in some shape or other it generally conforms to the above requisites. A deposit receipt is not a negotiable instrument, and a banker is liable if he pays out the money to any person other than the rightful owner.

**DEPOSITOR.**—The person who places money upon deposit.

**DEPOT.**—A place where goods are placed for safe custody. The word is sometimes used to denote a store or warehouse, a military station, or a railway terminus.

**DEPRECIATION.**—Depreciation is the name given to loss in value of assets through wear and tear, supersession, obsolescence, termination of the work on which they are employed, rise and fall in value by market fluctuations, etc.

As causes giving rise to depreciation of assets occur in many businesses which are peculiar to the particular business, no fixed rules can be laid down for its computation, but in regard to the assets

which are ordinarily used, the following points should always be considered—

- (a) The original cost
- (b) Amount spent on repairs
- (c) Probable life of the asset
- (d) Present market value
- (e) Break-up or residual value

The break-up value is the scrap value less cost of breaking up, and is of a very fluctuating nature, e.g., light machinery, the value of which lies in the fineness of the workmanship, will only carry a very low break-up value, but heavy machinery, the value of which lies more in the quantity of material it embodies, will carry a high break-up value.

The computation of depreciation is usually made by one of the following methods—

- (a) By writing off an equal proportion of cost each period,
- (b) By writing off a fixed rate per cent on diminishing balances,

this being a satisfactory method in many cases, as by its adoption regard is had to the question of repairs, which are light in the earlier years, when the amount of depreciation is greatest, and high in the later years, as the amount of depreciation becomes lighter.

(c) By the "Annuity" method, by which interest is charged to the debit of the asset on diminishing balances period by period, on the ground that had the amount been invested otherwise than in the asset it would have had an earning capacity, and that, therefore, the interest on the cost of the asset is an expense on account of its use as distinct from an expense against the business as a whole, and then providing for the original value and such interest being written off by equal periodical instalments.

(d) By revaluation of the asset, the difference being written off against profit.

The percentages written off should be such that the asset will be extinguished by the time it is valueless, or reduced to the break-up value by the time at which it is considered it will be necessary to replace it, and under methods (a) and (b) a revaluation should be made every few years, in order to determine whether the rate of depreciation adopted should be adhered to, increased, or diminished.

In all cases the asset should be kept in a good state of repair out of revenue.

On pp 515-517 are the accounts of various assets, showing how they would appear adopting methods (a), (b), and (c) respectively, the computations for the more intricate rates being made by the use of logarithms or derived from interest tables.

The following are usual rates of depreciating various assets, assuming that a business is working ordinary hours when considering those used in production—

**Freehold Land and Buildings.** 1 per cent on reducing values, much depending upon the location of the property, whether the surroundings have a tendency to increase or diminish the value, and the amounts spent on repairs and upkeep.

**Leasehold Properties.** In dealing with this, consideration must be given to the fact that at the termination of the lease the property, together with any plant, machinery, etc., attached thereto, become the landlord's, and the lease usually stipulates that the property must be handed over to him in a fair state of repair.

## Fittings and Fixtures Account.

*Depreciated annually at 5 per cent per annum on diminishing balances*

Dr.				Cr.			
11	To Cash ..	£	s d	1911	By Depreciation	£	s d
1		729	10 0	Dec 31	" Balance c/d	36	9 6
				" "		693	0 6
		£729	10 0			£729	10 0
12	To Balance b/d	693	0 6	1912	By Depreciation	34	13 0
1				Dec 31	" Balance c/d	658	7 6
		£693	0 6	" "		£693	0 6
13	To Balance b/d	658	7 6	1913	By Depreciation	33	18 7
15	" Cash	20	4 9	Dec 31	" Balance c/d	644	13 8
		£678	12 3	" "		£678	12 3
14	To Balance b/d	644	13 8				

## Machinery and Plant Account.

*Depreciated annually on diminishing balances to leave a break-up value of £250 at the end of five years*  
*Rate of Depreciation, 39 1634 per cent*

Dr.				Cr.			
1911	To Cash	£	s d	1911	By Depreciation	£	s d
n 1		3,000	0 0	Dec 31	" Balance c/d	1,174	18 0
				" "		1,825	2 0
		£3,000	0 0			£3,000	0 0
1912	To Balance b/d	1,825	2 0	1912	By Depreciation	714	15 5
n 1				Dec 31	" Balance c/d	1,110	6 7
		£1,825	2 0	" "		£1,825	2 0
1913	To Balance b/d	1,110	6 7	1913	By Depreciation	434	16 10
n 1				Dec 31	" Balance c/d	675	9 9
		£1,110	6 7	" "		£1,110	6 7
1914	To Balance b/d	675	9 9	1914	By Depreciation	264	10 11
n 1				Dec 31	" Balance c/d	410	18 10
		£675	9 9	" "		£675	9 9
1915	To Balance b/d	410	18 10	1915	By Depreciation	160	18 10
n 1				Dec 31	" Balance c/d	250	0 0
		£410	18 10	" "		£410	18 10
1916	To Balance b/d	250	0 0				

ence the following must be considered ately—

The premium paid for the lease, which is depreciated by the "Annuity" method

The cost of plant, machinery, etc., attached, should be written down in the usual way, its being taken as the period of the lease

Necessary expenditure of putting the premises in the condition required by the lease on its expiration, which should be provided for by the creation of a sinking fund of adequate amount, the amount being made to the lease premium account and then to profit and loss account as part of the annual cost of the lease

**Patterns and Moulds.** By re-valuation, or 25 per cent to 33½ per cent on reducing balances

**Tooling.** By re-valuation

**Machinery and Plant.** *Engines*, 10 per cent to 25 per cent on reducing balances, much depending on whether they are portable or stationary

*Boilers* 12½ per cent to 20 per cent on reducing balances, much depending upon whether they are high or low pressure, quality of water used, and any other special factors which may come into consideration

*Driving Gear* 7½ per cent on reducing balances

*General Machines* 5 per cent to 7½ per cent on original cost, or 7½ per cent on reducing balances, less subject to a lease or used for a special contract

**Furniture and Fixtures.** 5 per cent to 7½ per cent on diminishing values

**Rolling Stock.** *Locomotives* 10 per cent on original cost

*Wagons* 7½ per cent on reducing balances, these requiring an extraordinary amount of repair which puts up the value

**Horses.** If few in number, should be re-valued at the period of balancing, if many, they may be better re-valued or depreciated, an amount of about 10 per cent in this case equalising with the average value on re-valuation

**Patents.** Written off over life by equal periodical instalments

**Copyrights.** These are granted for a period of years as shown in the article on Copyright (*q v*), and varying according to the subject matter of the same. The change in the length of the copyright was made by the Copyright Act of 1911. They should be written down according to the nature and sale of the work

**Goodwill.** By writing off as rapidly as possible, never being safe to regard it as of permanent value, although its actual value may be retained or increased

**Company Formation Expenses.** Usually written off over three, five, or seven years

**Casks, Bottles, etc.** By re-valuation

**Crockery, Table Linen, etc.** By re-valuation

**Shares, Bonds, etc.** Cost price is retained unless the value has fallen, and then they are depreciated according to the state of the market. If the cost is unlikely to be recouped, the difference should be written off, and if appreciation has taken place which is likely to be permanent, a special reserve fund should be created in respect thereof

**DEPRECIATION, ASSETS AFFECTED THEREBY.**—Methods of treating Depreciation. Depreciation may be said to be the diminution in value of an asset consequent upon wear and tear, obsolescence, effluxion of time, permanent fall in market value, etc.

The loss by reason of wear and tear is obviously

inherent in all assets which are more or less constantly in use. It has been said that where, for instance, machinery is kept running night and day by a system of double shifts, the life of such machinery is considerably less than half that of similar machinery employed for one shift only

The risk of obsolescence to machinery in some businesses is very considerable, as, for instance, certain branches of the leather and cotton trades

An instance of assets on which the depreciation is governed by effluxion of time occurs in the case of Leasehold Property. If the life of the buildings erected upon the land is estimated to be shorter than the term of the lease, the buildings should be depreciated at a proportionately higher rate, but if the buildings are expected to last for a longer period than the term of the lease, the value of both lease and buildings should be depreciated according to the number of years unexpired as the lessor will claim the buildings as well as the land on expiry. Under most leases the clause making the lessee liable for dilapidations will also affect the rate of depreciation, and the probable cost of same must be estimated

The contingency of a permanent fall in market value is difficult to foresee, and is, therefore, the factor most likely to be wrongly estimated

Other assets presenting great difficulty are Patents, and Patterns (in the engineering trade). Where a patent is brought out by a firm, as distinct from the purchase of a patent, the consequences of the use of too low a rate of depreciation are not so serious, as the book value of the patent under such circumstances will usually be low, consisting only of the cost of Experiments, Patent Fees, Patent Researches, and the like. Where, however, a patent is purchased at a relatively high figure, liberal depreciation should be provided, especially if the patent has not been previously worked. In any case, the difficulty is to foresee the length of time during which the patented article is likely to hold the market, and as the great bulk of patents do not prove even an initial success, the legal term of fourteen years, with possible renewal for a further seven years, has a bearing only where the article has a permanent sale. One can only conclude, therefore, that it is safer to write off as high a percentage as a sanguine board of directors will approve. Some small assistance may be drawn from the proofs of reliability and originality which the purchasing firm would naturally require before buying the Patent Rights

Patterns (of wood or metal) are in some respects similar to Patents as regards Depreciation, as they depend on the continued sale of the particular article. A very high rate of depreciation, from 20 per cent to 33½ per cent per annum, or more, should, therefore, be employed

Freehold Land ordinarily does not depreciate, but in certain localities has been known to fluctuate in value. Buildings, Fencing, etc., erected thereon should be depreciated at a low rate

Goodwill cannot be said to depreciate. It is an intangible asset, and its value in the books of a firm should represent the price paid for it, subject to any amount written off. An amount passed through in reduction of the book value of Goodwill should never be styled Depreciation, but "Amount written off Goodwill." The methods of treating depreciation in the books of a mercantile concern are—

(1) By writing a percentage or a fixed sum off

LEASE ACCOUNT				Cr	
				1906	
1	To Balance	£1,000 0 0	Dec 31	By Depreciation	£367 4 2
31	„ Interest at 5 per cent	50 0 0	„ „	„ Balance	682 15 10
		<u>£1,050 0 0</u>			<u>£1,050 0 0</u>
				1907	
7	To Balance	£682 15 10	Dec 31	By Depreciation	£367 4 2
31	„ Interest at 5 per cent	34 2 9	„ „	„ Balance	349 14 5
		<u>£716 18 7</u>			<u>£716 18 7</u>
				1908	
1	To Balance	£349 14 5	Dec 31	By Depreciation	£367 4 2
31	„ Interest at 5 per cent	17 9 9			
		<u>£367 4 2</u>			<u>£367 4 2</u>

DEPRECIATION ACCOUNT				Cr	
				1905	
			Dec 31	By Profit and Loss A/c	£2,167 7 3
				1906	
			Dec 31	„ Interest	54 3 8
			„ „	„ Profit and Loss A/c	2,167 7 3
				1907	
			Dec 31	„ Interest	109 14 5
			„ „	„ Profit and Loss A/c	2,167 7 3
				1908	
			Dec 31	„ Interest	166 12 11
			„ „	„ Profit and Loss A/c	2,167 7 3
08	31. To Machinery Account	<u>£9,000 0 0</u>			<u>£9,000 0 0</u>

INVESTMENT ACCOUNT				Cr	
				1905	
05	To Cash	£2,167 7 3			
				1906	
06	„ Interest re-invested	54 3 8			
„	„ Cash	2,167 7 3			
		<u>4,388 18 2</u>			
				1907	
07	To Interest re-invested	109 14 5			
„	„ Cash	2,167 7 3			
		<u>6,665 19 10</u>			
				1908	
08	To Interest re-invested	166 12 11			
„	„ Cash	2,167 7 3			
		<u>£9,000 0 0</u>	Dec 31	By Cash	£9,000 0 0

MACHINERY ACCOUNT				Cr	
				1908	
05	To Cash	£10,000 0 0	Dec 31	By Depreciation Account	£9,000 0 0
			„ „	„ Cash (for Residual Value of Machinery now sold)	1,000 0 0
		<u>£10,000 0 0</u>			<u>£10,000 0 0</u>

servant was there to show them the premises, and there were upon the premises distainable goods, though far from sufficient to meet the rent due. On the second visit, two persons were found painting the house for the tenant, and it appeared that the landlord was at every stage acquainted with his whereabouts. On these facts the Court of King's Bench considered that a stronger case of desertion could hardly be suggested, that there was no sufficient distress, that the servant's possession was merely colourable, and that the justices had properly made an order. On the other hand, in a case where the wife and children of the tenant remained on the premises, but there was no furniture in the house except three or four chairs, stated by the wife to belong to a neighbour, it was held that the premises had not been deserted within the meaning of the Act. As to the annual value of the premises, the justices may properly call in on this point the evidence of an expert, *e.g.*, a surveyor, but they ought to form their own conclusion. After putting the landlord into possession, the justices should make a record of what they have done, in which they should state all the circumstances giving them jurisdiction, and show that they have observed the directions of the statute. Such record will then be conclusive, and protect the justices and their officers from any action of trespass, though it will, of course, be no protection to the landlord if he has, by false information, wrongfully procured the interference of the justices, nor would it protect the justices from a criminal information, if it could be shown that they had acted corruptly. Although the proceedings, just outlined, before the justices are of a harsh and summary description, the tenant is not without remedy, for he may, as already mentioned, bring an action against a landlord who has falsely informed the justices, or he may avail himself of the remedy given by Section 17 of the Act, which provides that any decision of justices under it is to be examinable in a summary way by the next judges of assize of the county in which the premises lie, who can order restitution to be made to the tenant, and who has a discretionary power to allow him costs against the landlord. A poor tenant runs no great risk by thus appealing, for in the event of failure of the appeal, the Act expressly limits the amount of costs that may be recovered against the appellant to the sum of £5. The judge's order should be directed to the justices from whom the appeal comes, otherwise if they decline to compel restitution to be made, one cannot obtain a *mandamus* against them.

**Procedure in London.** The sketch already given of the subject refers to the law and procedure in the country generally, but that relating to London demands special notice. The Summary Jurisdiction Act, 1848, confers on the Lord Mayor or any of the aldermen of the City of London, sitting at the Mansion House or the Guildhall, power to do any act which two justices ordinarily might do. It follows that when the premises are in the City, application must be made to the Lord Mayor or sitting aldermen, the procedure being otherwise the same as above described.

By the Metropolitan Police Act, 1840, the police magistrates who administer justice in the Metropolitan Police District, as distinct from the City, are given powers different from those possessed by justices, either in the City or in the country, for Section 13 enacts that, in these cases, on the request of the landlord or his bailiff or receiver, made in

open court, and upon proof being given to the satisfaction of the magistrate of the arrears of rent and desertion of the premises, the magistrate may issue his warrant directed to one of the constables of the Metropolitan Police Force, requiring him to go upon and view the premises, and to affix thereon the notice which otherwise would be affixed by the two justices, and upon the return of the warrant and upon proof to the satisfaction of the magistrate that the warrant has been duly executed, and that neither the tenant nor any person on his behalf has appeared and paid the rent in arrear, and there is not sufficient distress on the premises, it shall be lawful for the magistrate to issue his warrant to a metropolitan constable requiring him to put the landlord into possession of the premises.

If the premises are in the City of London or the county of Middlesex, an appeal lies to any judge of the King's Bench Division of the High Court of Justice.

**Parish Property**, if deserted, is subject to special provisions, for the Poor Relief Act, 1819 (as amended by the Union and Parish Property Act, 1835), enacts that if any person who shall have been permitted to occupy any parish or town house, or other dwelling belonging to the parish, for the habitation of the poor, or shall have unlawfully intruded himself into any such, shall refuse or neglect to quit it and deliver it to the guardians within one month after written notice and demand therefor shall be delivered to the person in possession, or, in his absence, affixed on some notorious part of the premises, any two justices may, on complaint of the guardians, issue their summons to the person against whom the complaint is made, to appear and answer the complaint. The summons is to be served on the defendant, or, in his absence, to be affixed on the premises, at least seven days before the time appointed for the hearing of the complaint, and the justices shall, on appearance of the defendant or on proof of service, proceed to hear and determine the complaint, and if it is correct, issue a warrant for possession. The Act contains similar provisions as to any land let by the guardians and held over after proper notice to quit, and also as to land belonging to them, of which possession has been unlawfully taken.

**DESIGNS.**—Quite apart from the law as to copyright (*qv*) in a picture or drawing, the proprietor of a new or original design not previously published in the United Kingdom may obtain a special copyright in such design by registering it under the provisions of the Patents and Designs Act, 1907. A design, in order to be capable of registration, must be one (not being a design for a sculpture) which is applicable to some article of manufacture or some material substance, whether for pattern, shape, or configuration, or ornament, and whether by printing, painting, embroidering, weaving, sewing, modelling, casting, embossing, engraving, staining, or any other means whatever. If such a design is made to order and for good (which here means valuable) consideration (see **CONSIDERATION**), or is acquired by some person, the proprietor is the person for whom it was made or by whom it has been acquired. In any other case, the author of the design is the proprietor.

An application for registration is made to the Comptroller of Patents at the Patent Office, and must comply with the rules made by the Board of Trade, and known as the Designs Rules, 1908. The Comptroller may, if he thinks fit, refuse to

policy, and the ship instead of sailing from that place sails from any other place, the risk does not attach. Where the destination is specified in the policy, and the ship, instead of sailing for that destination, sails for any other destination, the risk does not attach. Where, after the commencement of the risk, the destination of the ship is voluntarily changed from the destination contemplated by the policy, there is said to be a change of voyage. Unless the policy otherwise provides, where there is a change of voyage, the insurer is discharged from liability as from the time of change, that is to say, as from the time when the determination to change it is manifested, and it is immaterial that the ship may not, in fact, have left the course of voyage contemplated by the policy when the loss occurs (Marine Insurance Act, 1906, Sects 43-45). Where, however, by the usage of trade it is customary in the course of the voyage insured to stop at interjacent ports, though out of the direct course, it is no deviation to stop there, though leave for that purpose be not expressly reserved, for such stopping is considered to be a regular part of the voyage insured, and to have been contemplated by the parties to the policy. Deviation may be justified either by express permission in the contract or by necessity. In the former case, this may be by a clause giving liberty to the ship "to call at any port in any order," or "to deviate for the purpose of saving life or property." Such a clause does not justify a ship leaving the direct course between her ports of loading and discharge, and putting into another port 1,200 miles off that course, for the ports must be ports which will be passed on the named voyage, and if the words "in any order" after ports are not added, the ship must visit the ports in their geographical order. Deviations or delays are justified in the following cases: (1) Where authorised by any special term in the policy, or (2) where caused by circumstances beyond the control of the master and his employer, or (3) where reasonably necessary in order to comply with an express or implied warranty, or (4) where reasonably necessary for the safety of the ship or subject-matter insured, or (5) for the purpose of saving human life, or aiding a ship in distress where human life may be in danger, or (6) where reasonably necessary for the purpose of obtaining medical or surgical aid for any person on board the ship, or (7) where caused by the barratrous conduct of the master or crew, if barratry is one of the perils insured against. When the cause excusing the deviation or delay ceases to operate, the ship must resume her course, and prosecute her voyage, with reasonable despatch. Deviation in order to save property is only allowable if the preservation of life can only be effected through the concurrent saving of property, and the *bona fide* purpose of saving life forms part of the motive which leads to the deviation. If, therefore, the lives of persons on board a disabled ship can be saved without saving the ship, as by taking them off, deviation for the purpose of saving the ship will carry with it all the consequences of an unauthorised deviation.

**DEVISE.**—The word "devise," in its strict sense, applies only to a gift by will of lands or real property, but it is often used as equivalent to "bequeath" in testamentary gifts of personal property. The giver is the deviser; the taker is the devisee. In wills, it passes personal property equally with "bequeath"—the proper technical term—and "bequeath" like-

wise may pass realty. If a testator says "I give, devise, and bequeath," the words "give and bequeath" apply to the personal property, and "devise" to the real estate. A devise may be either specific, e.g., "I devise Blackacre to A," or residuary, e.g., "I devise the residue of my land to B," which gives B all lapsed and undisposed-of realty belonging to the deviser at his death, but, in a sense, a residuary devise is specific, for where the personal estate is insufficient for the payment of debts, the specific devisees must contribute towards their payment rateably with the residuary devisee, while in the case of personalty the debts are payable out of the residue in exoneration of the legacies. An executory devise is such a limitation of a future estate or interest in lands or chattels, as the law admits in the case of a will, though contrary to the rules of limitation in conveyances at common law, e.g., a devise to A for life, remainder to C, provided that if D shall within a month of A's death pay £1,000 to C, then to D and his heirs. D has here an executory devise. A devise (unlike a conveyance) of Blackacre to C passes to C the whole fee simple in Blackacre, not merely a life interest. (See WILLS.)

**DEVISEE.**—The person to whom any real estate is given by a will. It is the common practice to use the words "devise and bequeath" when testamentary dispositions are being made. The former word is technically only applicable to real estate, the latter to personal estate.

**DEVISOR.**—The person who makes a gift of real property by will.

**DEXTRINE.**—Properly speaking, a colourless, tasteless powder obtained by the action of diastase on starch, but the dextrine of commerce is a mixture obtained by heating starch. It is also known as British gum, and is much used in solution as a substitute for gum arabic in calico printing, as a mucilage for stiffening fabrics, as a coating for adhesive stamps, and for thickening inks. The chemical symbol of true dextrine is  $C_6H_{10}O_5$ .

**DIAMOND.**—The hardest, most valuable, and most brilliant of all precious stones. It is the natural form of crystallised carbon, and as its chemical composition is well known, attempts have been made to produce diamonds artificially, but without much success. India, Brazil, and South Africa are the chief diamond-producing countries, but the diamonds of Australia are preferred for cutting glass. Bort and carbonado are dark, lustreless varieties found in Brazil, and are used on account of their hardness for diamond rock-boring drills. There are diamonds of various colours, but the white stones are generally the most prized, though a rare colouring, such as blue or red, may give a fictitious value to an otherwise inferior stone. The art of cutting is very important, as the value of the gem is greatly affected by the process, which was discovered about the middle of the fifteenth century, and is principally carried on at Amsterdam, though the industry has also been introduced into Antwerp and the vicinity of Frankfort.

**DIAPER.**—A figured cloth, usually of linen, the pattern being woven into the fabric. It is much used for towelling, napery, etc.

**DIES NON.**—This is a Latin phrase, and signifies a day upon which, owing to certain special circumstances or events, no business can be transacted. For many purposes, Sunday is a *dies non*, and so are Bank Holidays as far as banks are concerned.

or condition in the lease shall not be enforceable by action or otherwise, unless and until the lessor serves on the lessee a notice specifying the particular breach complained of, and (if it is capable of remedy) requiring the lessee to remedy the breach, and in any case requiring the lessee to make compensation in money for the breach, and the lessee fails, within a reasonable time thereafter, to remedy the breach, if it is capable of remedy, and to make reasonable compensation in money, to the satisfaction of the lessor, for the breach. It is further provided that where a lessor is proceeding by action or otherwise to enforce such a right of re-entry or forfeiture, the lessee may apply to the court for relief, and the court may grant or refuse it or grant it, subject to such terms as to costs or otherwise, as it thinks fit. The Conveyancing Act, 1892, which amended these provisions, provides that the lessor is entitled, if the breach is waived or the lessee relieved, to recover from the lessee his solicitor's and surveyor's costs in reference to inspection and the preparation of the notice. This Act also extends the power of the court to grant relief, by enabling it to be granted on such terms as the court may impose to an under-lessee whose immediate lessor has incurred a forfeiture.

**Action for Damages.** This is a common law remedy, and it may be brought on the covenant or agreement to repair. It may be brought during the continuance of the term, and will be in the High Court or county court, according to the amount claimed.

**As between Tenant for Life and Remainderman.** A tenant for life may be liable for dilapidations in consequence of the law of waste, that is, the committing of any spoil or destruction in houses or lands, the subject of the life tenancy, to the damage of the heir or of him in reversion or remainder. Waste is either voluntary or permissive. Voluntary waste consists in, *e.g.*, pulling down or materially altering a house. Permissive, in allowing it to fall into decay. After many doubts, it has been held that a tenant for life is not liable for permissive waste, unless the duty to repair has been expressly laid on him by the grantor of the estate. He is, however, liable for voluntary waste, unless the instrument of grant expressly declares that his estate is to be "without impeachment of waste," and may be punished by an action for damages or restrained by injunction. Even if his estate is of this character, the Chancery Division will restrain him from acts of a wanton and malicious character (*e.g.*, pulling down the principal mansion house), which are styled "equitable waste."

**Ecclesiastical Dilapidations.** At common law, a parson, perpetual curate, or other incumbent is liable for dilapidations. That is, he is bound to maintain the parsonage or dwelling-house, and also the chancel of the church, and to keep them in good and substantial repair, restoring and rebuilding when necessary, according to the original form, but he is not bound to supply or maintain anything in the nature of ornament, in which term is included painting (unless necessary to preserve exposed timbers from decay), and also whitewashing and papering. If he does not do so, his representatives are liable to an action at the suit of the new incumbent, this ability to sue the personal representative of a deceased person in respect of a tort for which, in his lifetime, he would not have been liable, being an exception to the ordinary rule—*actio personalis moritur cum persona*. By statute (14 Eliz c 11)

the new incumbent is compelled to employ all money thus received within two years on the repair of the dilapidations, the penalty of default being forfeiture to the Crown of double the amount. The subject is now regulated by the Ecclesiastical Dilapidation Acts, 1871 and 1872. These Acts provide for the appointment of a diocesan surveyor and for inspection by him of the buildings on request being made by the incumbent to the bishop, or complaint being made by the archdeacon, rural dean, or patron of the benefice. In the latter case, however, the incumbent must first be given an opportunity of doing the repairs himself. The surveyor reports on the result of his inspection, and, after the incumbent has been given an opportunity of objecting, the final report is settled. The incumbent must comply with it, on penalty of his benefice being sequestrated to meet the expenses, and may, with the consent of the bishop and patron, borrow the necessary moneys (not exceeding three years' income of the benefice) from Queen Anne's bounty on the security of the benefice. When the works are complete, the surveyor certifies to that effect, and the incumbent is then exempted from any liability to a further survey or report for five years, and if he vacates the benefice or dies within that time, he and his representatives are exempted from any claim for dilapidations, except for wilful waste. The incumbent, however, remains liable for fire, unless before the filing of the certificate with the diocesan registrar and the governors of Queen Anne's bounty he has insured the buildings as required by the Acts and continues the insurance. If such a certificate is not obtained, the bishop is to direct a similar survey within three months after the benefice is vacated, and where a surveyor's report and order of the bishop consequent thereon have been made, the amount stated in the order is to be recoverable as a debt from the late incumbent or his representatives. The new incumbent must bear the costs of the repairs, whether or not he succeeds in so recovering the cost of them, and he is bound to execute them within eighteen months from the date of the order.

**DILIGENCE.**—A process, in Scotch law, under which a person, or his lands, or effects, may be attached or taken in satisfaction or in payment of a debt. It is the modern method which has displaced the old caption (*qv*).

**DILL.**—An umbelliferous plant common in India in the Mediterranean countries, and in South Africa. The seeds yield a volatile oil, which is used in scenting soaps, but they are chiefly valuable as the source of dill water, the popular remedy for flatulence in infants.

**DIME.**—(See FOREIGN MONIES—UNITED STATES.)

**DIMINISHING RETURN.**—The Law of Diminishing Return is an economic "law"—*i.e.*, a tendency which, however, will yield to a stronger tendency—that pervades the whole of economics. It was first closely studied in connection with the product of land and was thus formulated: after a certain, not very advanced, stage in agriculture, it is the law of production from the land that by increasing the labour the produce is not increased in an equal degree. Doubling the labour does not double the produce, or, *every increase of produce is obtained by a more than proportional increase in the application of labour to the land*. An antagonising principle—the progress of agricultural knowledge, skill, and invention, for instance—may supersede for a while this "law." The decline of the



principal, that is, for the company of whom he is a director, and for whom he is acting. He cannot sue on such contracts, nor be sued on them, unless he exceeds his authority."

Directors can only exercise the powers conferred upon them by the memorandum and articles of association. All persons, third parties as well as members of the company, having dealings with the company, are presumed to have full knowledge of the contents of these two documents, since they are open to public inspection. Such persons, therefore, must know the extent of the powers of the directors, and be acquainted with any restrictions placed upon them.

No proper definition of a director has ever been given in any of the Companies Acts, and the only attempt at anything in the shape of a definition is contained in Section 285, where it is stated that a director "includes any person occupying the position of a director by whatever name called." The insertion of this quasi-definition is probably the outcome of certain words in the judgment in the case of *In re Forest of Dean Coal Mining Company*, 1878, 10 Ch D 450, where it is said: "Directors have sometimes been called trustees, or commercial trustees, and sometimes they have been called managing partners, it does not matter what you call them so long as you understand what their true position is, which is that they are really commercial men managing a trading concern for the benefit of themselves and of all other shareholders in it. They are bound, no doubt, to use reasonable diligence having regard to their position, though probably an ordinary director, who only attends board meetings occasionally, cannot be expected to devote as much time and attention to the business as a sole managing partner of an ordinary partnership, but they are bound to use fair and reasonable diligence in the management of their company's affairs, and to act honestly."

Any person, or even a company, may be a signatory of the memorandum and the articles, and no restriction is placed upon any person becoming a shareholder in a company. The same rule applies as to a person who is appointed a director, with this single exception, that a clergyman of the Church of England, so long as he is actively performing his duties as a clergyman, cannot be appointed as a director.

The first directors of a company are appointed either by the memorandum or the articles of association—sometimes by both, and a list of the directors, as well as a consent in writing signed by the directors, must be filed with the registrar. Such first directors occupy their position until they are replaced by others, according to the terms of the articles. If a director is appointed for a fixed period, he cannot be removed from his position until that period has elapsed. Similarly, he is unable to resign his office. If no directors are appointed by the articles, the whole of the signatories of the memorandum are the first directors.

The appointment of new and the retirement of old directors is also provided for by the Articles of Association. The number of directors must also be stated. Full provision will also be made as to the powers conferred upon the directors, as well as to their remuneration and how it shall be paid. The remuneration of directors must be stated in any prospectus issued by the company, and any attempt to remunerate them otherwise than as provided in the memorandum or articles is illegal. The fees to

be paid should be distinctly stated for in his position as trustee, a director cannot claim anything which is not stipulated for in the articles, unless by a special resolution passed by the shareholders. But he is always entitled to be paid irrespective of the success of the enterprise. He is a creditor to all intents and purposes, and there is nothing to compel him to forego his fees, as is often done in case of failure.

Every company must keep a register containing the names and addresses and the occupation of its directors and managers, and send to the registrar of joint stock companies a copy thereof, and from time to time notify to the registrar any change amongst its directors and managers.

There is no legal enactment requiring directors to be possessed of any share or shares in the company of which they are directors, but a share qualification is almost invariably provided for in the articles of association, since the London Stock Exchange requires it as a condition precedent to granting a quotation for the shares of the company. It was a common practice for promoters, etc., to evade the regulation of the Stock Exchange by presenting shares to nominees of their own. An attempt was made to restrict this evasion by the Companies Act, 1900, and now Section 73 of the Act of 1908 has embodied the repealed section of the Act of 1900, as well as the amending section of the Act of 1907. A director must acquire his qualification (if any) within two months of his appointment under liability for the penalties prescribed. The qualification must be stated in the prospectus, and a company cannot commence business until the directors have taken up the qualification shares prescribed. Again, the wording of the articles must be very specific as to the character in which the director holds his qualification. The holding must be for his own benefit, otherwise difficulties may arise, seeing the interpretation that has been placed upon the words "in his own right." A director ceases to be qualified if he no longer holds his qualification shares, and, if he vacates his office on that account, he is incapable of being reappointed as a director until he has qualified again. The articles should also provide for the vacation of office of any director who neglects his duties or absents himself from the meetings of directors. Absenting himself will obviously only apply if the absence is the voluntary act of the director.

For the transaction of the business of the company, the directors must meet periodically, either at appointed times, or when convenient to themselves. A meeting of which no proper notice is given is irregular. The articles provide what is to be the quorum of directors, or the minimum number present for the transaction of business, but *prima facie* the number cannot be less than a majority of the whole. Any difficulties on this point can easily be avoided by having carefully drawn articles. If no quorum is provided for, the number which usually meets will be sufficient.

The powers of the directors are the rights which they possess of dealing with other persons for and on behalf of their own company, and a clause in the articles of association may be framed so as to clothe them with the amplest authority. If the articles are silent on the point, the law will imply that all the ordinary powers connected with a business of the same kind as that carried on by the company are conferred upon the directors,

court takes into consideration a report of the official receiver as to the bankrupt's conduct and affairs (including a report as to his conduct during the bankruptcy proceedings). The court may then either grant or refuse an absolute order of discharge, or suspend the operation of the order for a specified time, or grant an order of discharge subject to any conditions with respect to any earnings or income which may afterwards become due to the bankrupt, or with respect to his after-acquired property.

In certain cases the court has no option with regard to the course to be adopted. Thus, if the bankrupt has committed any misdemeanour under the Debtors Act, 1869, or the Bankruptcy Act, 1883, or any other misdemeanour connected with his bankruptcy, or any felony connected with his bankruptcy, the discharge must be refused, unless for special reasons the court otherwise determines. The fact that the court passed only a nominal sentence might be regarded as a "special reason" for granting the discharge, but the court would probably require a period of probation. Again, on proof of certain facts (see below), the court must either—

- (1) Refuse the discharge; or
- (2) Suspend it for a period of not less than two years; or
- (3) Suspend it until a dividend of not less than 10s in the £ has been paid to the creditors; or
- (4) Require the bankrupt, as a condition of his discharge, to consent to judgment being entered against him by the official receiver or trustee for any balance, or part of any balance of debts not satisfied at the date of the discharge, such balance to be paid out of future earnings or after acquired property, as the court may direct. Execution on such a judgment may not issue without the leave of the court, which may be given on proof that the bankrupt has, since his discharge, acquired property, etc., available for payments of his debts.

If at any time after the expiration of two years from the date of any order so made, the bankrupt can satisfy the court that there is no reasonable probability of his being able to comply, the court may modify the order. Suspension for as much as five years will not be imposed except in bad cases. An order for 10s in the £ to some and not to all creditors cannot be made. In one case the court suspended a discharge for two years, where the bankrupt, after setting aside £500 a year for himself, undertook to pay the balance to the trustee until the creditors received 10s in the £. Assets are deemed to be equal to 10s in the £ when the property with due care in realisation might realise an amount equal to 10s in the £ on the unsecured liabilities of the bankrupt.

(d) **Facts which may Prevent Discharge.** The court must exercise the powers above referred to on proof of any of the following facts—

- (1) *Assets not Equal to 10s in the £.* That the assets are not equal to 10s in the £ on the bankrupt's unsecured liabilities, unless he satisfies the court of the fact that he cannot justly be held responsible.
- (2) *Omission to Keep Books.* That he has omitted to keep such books of account as are usual and proper in the business carried on by him, and as sufficiently disclose his business transactions and financial position within the three years preceding his bankruptcy.
- (3) *Trading after Insolvency.* That he has continued to trade after knowing himself to be insolvent.

A debtor does not trade after knowing himself to be insolvent who believes that a careful and prudent realisation of assets will produce 10s in the £, although he may know that a forced sale at break-up prices will not produce that result.

(4) *Wrongful Contracting of Debt.* That he has contracted any debt provable in the bankruptcy without having at the time of contracting it any reasonable or probable ground of expectation (from whomever shall be with him) of being able to pay it.

(5) *Loss of Assets.* That he has failed to account satisfactorily for any loss of assets, or for a deficiency of assets, to meet his liabilities.

(6) *Hazardous Speculation.* That he has brought on or contributed to his bankruptcy by rash or hazardous speculations, or by unjustifiable extravagance in living, or by gambling, or by culpable neglect of his business affairs. A man is not bound to keep up appearances, but to pay his debts, and if his profits will not allow of his living at the usual rate, then his plain duty is to reduce his scale of living and not to go on living out of the money of his creditors.

(7) *Vexatious Actions.* That he has put any of his creditors to unnecessary expense by a frivolous or vexatious defence to any action properly brought against him.

(8) *Unjustifiable Expense.* That he has, within three months preceding the date of his order, incurred liabilities with a view to his assets equal to 10s in the £ on the unsecured liabilities.

(9) *Prior Bankruptcy, etc.* That he has on a previous occasion been adjudged bankrupt, or a composition or arrangement with his creditors.

(10) *Fraud.* That he has been guilty of fraud or fraudulent breach of trust, or he also may be refused, suspended, or granted a conditional discharge where the debtor has made any settlement which the court thinks proper in order to defeat or delay his creditors, or where the discharge is unjustifiable, having regard to the circumstances of the case.

(e) **Effect of Order of Discharge.** When a bankrupt is granted a discharge, he is released from all his debts, and the discharge does not release him from the consequences of his previous conduct. Thus it does not release him from default in recognisance, Crown debts, or debts due on bonds. He cannot be discharged from the consequences of his previous conduct, unless the Treasury will consent in writing. Discharge does not release a bankrupt from any debt or liability incurred by means of any fraud or fraudulent conduct to which he was a party, otherwise either the bankrupt or the creditor can prove the fraud, and is conclusive evidence of the fraud. The discharge does not release him from any proceeding instituted against him in respect of any debt before his discharge. If he is released, he may plead that the debt was not due before his discharge.

As the order releases the bankrupt from all his provable debts, it follows that a creditor which does not take the trouble to prove his debt. The discharge releases all English debts, and all foreign debts, and all debts due to or from the bankrupt or his estate.

Discharge, however, does not release a bankrupt from any debt due to or from the bankrupt or his estate, who, at the date of the receiving order, was a partner or co-trustee with the bankrupt, or jointly bound, or had made any joint contract with him, or any person, or with a surety for him.

A promise by

court takes into consideration a report of the official receiver as to the bankrupt's conduct and affairs (including a report as to his conduct during the bankruptcy proceedings). The court may then either grant or refuse an absolute order of discharge, or suspend the operation of the order for a specified time, or grant an order of discharge subject to any conditions with respect to any earnings or income which may afterwards become due to the bankrupt, or with respect to his after-acquired property.

In certain cases the court has no option with regard to the course to be adopted. Thus, if the bankrupt has committed any misdemeanour under the Debtors Act, 1869, or the Bankruptcy Act, 1883, or any other misdemeanour connected with his bankruptcy, or any felony connected with his bankruptcy, the discharge must be refused, unless for special reasons the court otherwise determines. The fact that the court passed only a nominal sentence might be regarded as a "special reason" for granting the discharge, but the court would probably require a period of probation. Again, on proof of certain facts (see below), the court must either—

- (1) Refuse the discharge, or
- (2) Suspend it for a period of not less than two years, or

(3) Suspend it until a dividend of not less than 10s in the £ has been paid to the creditors, or

(4) Require the bankrupt, as a condition of his discharge, to consent to judgment being entered against him by the official receiver or trustee for any balance, or part of any balance of debts not satisfied at the date of the discharge, such balance to be paid out of future earnings or after acquired property, as the court may direct. Execution on such a judgment may not issue without the leave of the court, which may be given on proof that the bankrupt has, since his discharge, acquired property, etc., available for payments of his debts.

If at any time after the expiration of two years from the date of any order so made, the bankrupt can satisfy the court that there is no reasonable probability of his being able to comply, the court may modify the order. Suspension for as much as five years will not be imposed except in bad cases. An order for 10s in the £ to some and not to all creditors cannot be made. In one case the court suspended a discharge for two years, where the bankrupt, after setting aside £500 a year for himself, undertook to pay the balance to the trustee until the creditors received 10s in the £. Assets are deemed to be equal to 10s in the £ when the property with due care in realisation might realise an amount equal to 10s in the £ on the unsecured liabilities of the bankrupt.

(d) **Facts which may Prevent Discharge.** The court must exercise the powers above referred to on proof of any of the following facts—

(1) *Assets not Equal to 10s in the £.* That the assets are not equal to 10s in the £ on the bankrupt's unsecured liabilities, unless he satisfies the court of the fact that he cannot justly be held responsible.

(2) *Omission to Keep Books.* That he has omitted to keep such books of account as are usual and proper in the business carried on by him, and as sufficiently disclose his business transactions and financial position within the three years preceding his bankruptcy.

(3) *Trading after Insolvency.* That he has continued to trade after knowing himself to be insolvent.

A debtor does not trade after knowing himself to be insolvent who believes that a careful and prudent realisation of assets will produce 20s in the £, although he may know that a forced sale at break-up prices will not produce that result.

(4) *Wrongful Contraction of Debts.* That he has contracted any debt provable in the bankruptcy without having at the time of contracting it a reasonable or probable ground of expectation (present or future) of being able to pay it (whether or not he shall be with him) of being able to pay it.

(5) *Loss of Assets.* That he has failed to account satisfactorily for any loss of assets, or for any deficiency of assets, to meet his liabilities.

(6) *Hazardous Speculation.* That he has brought on or contributed to his bankruptcy by rash or hazardous speculations, or by unjustifiable extravagance in living, or by gambling, or by culpable neglect of his business affairs. A man is not bound to keep up appearances, but to pay his debts, and if his profits will not allow of his living at the usual rate, then his plain duty is to reduce his scale of living and not to go on living out of the money of his creditors.

(7) *Vexatious Actions.* That he has put any of his creditors to unnecessary expense by a frivolous or vexatious defence to any action properly brought against him.

(8) *Unjustifiable Expense.* That he has incurred three months preceding the date of his order incurred liabilities with a view to his assets equal to 10s in the £ on the £ of his unsecured liabilities.

(9) *Prior Bankruptcy, etc.* That he has on a previous occasion been adjudged bankrupt by a composition or arrangement with his creditors.

(10) *Fraud.* That he has been guilty of fraud or fraudulent breach of trust, or that he also may be refused, suspended, or disqualified, or that he has made any arrangement or settlement which the court thinks fit to order to defeat or delay his creditors, or that he has acted unjustifiably, having regard to the nature of the affairs when it was made.

(e) **Effect of Order of Discharge.** When a bankrupt is released, discharge does not release him from all his debts. Thus it does not release him from his debts of recognisance, Crown debts, or debts due on bonds. He cannot be discharged from the accepted debts unless the Treasury will consent in writing. Discharge does not release a bankrupt from any debt or liability by means of any fraud or fraudulent means to which he was a party, otherwise, either a bankrupt from all debts provable against him, and is conclusive evidence of the validity of the proceedings that is to any proceeding instituted against a bankrupt in respect of any debt not prima facie released, he may plead that the majority of creditors released before his discharge can easily prove the discharge.

As the order releases the bankrupt from all provable debts, it follows that a creditor which not take the trouble to prove his debt. The discharge releases all English debts which are not proved.

Discharge, however, does not release a bankrupt from his debts to his partner or co-trustee with the bankrupt, or jointly bound, or had made any joint contract with him, or any person who was surety, or with a person who was a surety for him.

A promise by a discharged bankrupt to pay a debt is not binding.

as the drawer to whom or to whose order a bill is made payable. He may sue the acceptor or any antecedent parties, or he may, if he thinks fit, strike out his own and subsequent indorsements, and once more negotiate the bill.

If the whole of the amount of a bill is not paid in due course by the acceptor, but a part only, the right of the holder is reduced by the amount paid, and he may sue for the balance. In the case of part payment by the drawer or the indorser, where the bill is retained by the holder—for a holder is not bound to give up his document until he has been paid in full—the holder may still pursue his remedies by action, but if he recovers the amount from the acceptor, he is a trustee as to the balance beyond what is due to himself on the bill, and he is bound to hand over that balance to the drawer or the indorser who has made the part payment.

It is not always possible for a person who has paid a bill by mistake to recover the money from the person to whom he has paid it, and who cannot give a discharge for the bill owing to forgery, alteration, or cancellation, but there appear to be two rules which may be regarded as summing up the law upon this subject. The first is that the person who pays a bill which has been forged, altered, or cancelled may reclaim the money if he has been deceived through the negligence of any party who ought to have exercised care with regard to him, and if he himself has not been guilty of any negligence. The second is that money similarly paid can be recovered from the payee if the latter was not acting throughout in good faith.

The handing over of a bill which has been met is a sufficient discharge of the instrument. But if a receipt is written upon it, a *ld* stamp is now necessary, since the passing of the Finance Act, 1895.

When the holder of a bill at or after its maturity absolutely and unconditionally renounces his rights against the acceptor, the bill is discharged, that is, there is no longer any right of action upon it. But the renunciation must be in writing, unless the bill is delivered up to the acceptor. The absolute and unconditional renunciation must be made to the acceptor at or after maturity. There cannot afterwards be a holder in due course. If it is made before maturity and the bill again gets into circulation, the rights of a holder in due course who has had no notice of the renunciation are in no way affected. A holder may renounce his particular rights against any other party to the bill, other than the acceptor, before, at, or after its maturity. This must also be made in writing, but no renunciation of this kind discharges the bill. All rights are preserved against the other parties. Thus, the holder of a bill before maturity writes to the first indorser saying that he renounces all rights in the bill against him. The whole of the indorsers are discharged. But the drawer and the acceptor still remain liable. If the bill is afterwards negotiated to a holder in due course no renunciation is of any value. The holder in due course who has taken the bill without any notice of renunciation has his rights against all the parties as though nothing has happened. It appears that a bill is discharged if it is delivered at or after maturity to the executors or administrators of a deceased acceptor, but this is not so if the bill is delivered to the devisee of the acceptor. It is very uncommon to find cases of renunciation in practice. It would always be advisable where there is a renunciation that a note or

memorandum of it should be indorsed upon the bill. Such a note would serve as notice to any person to whom the bill was afterwards negotiated.

Another method of discharging a bill is by cancellation on the part of the holder or his agent, the cancellation being intentionally made and apparent on the face of the bill. And just as a holder may renounce his rights against any particular indorser, as was shown in the last paragraph, so he may discharge any indorser by intentionally cancelling that indorser's signature, and where an indorser is discharged, all subsequent indorsers, who might have had a right of recourse against him, are discharged. In the words of the Act—

"Where a bill is intentionally cancelled by the holder or his agent, and the cancellation is apparent thereon, the bill is discharged. In like manner any party liable on a bill may be discharged by the intentional cancellation of his signature by the holder or his agent. In such case any indorser who would have had a right of recourse against the party whose signature is cancelled is also discharged." (Sec 63)

Thus, the holder of a bill intentionally strikes out the acceptor's signature. The bill is discharged, and no one can maintain an action upon it. But if the cancellation is not apparent upon the face of the bill, and the holder afterwards negotiates it to a holder in due course, such holder in due course is not prejudiced by the cancellation and can sue the acceptor. Where a cancellation is made unintentionally, or under a mistake, or without the authority of the holder, such cancellation is entirely inoperative. But in any action upon a bill where the bill itself or any signature thereon appears to have been cancelled,

"The burden of proof lies on the party who alleges that the cancellation was made unintentionally, or under a mistake, or without authority." (Sec 63, s s 3)

In such a case the holder ought at once to mark the bill or the cancelled signature "cancelled by mistake," and add his signature or his initials.

A bill is avoided, that is, no action can be maintained upon it, when there has been a material alteration made without the assent of all parties, except as against the party who has made, authorised, or assented to the alteration and all subsequent indorsers. (See ALTERATION OF BILLS AND CHEQUES)

Very few words are necessary as to the discharge of a cheque. So long as it remains in circulation, an action may be maintained upon it, subject to various defences; but when it has been paid by the banker upon whom it is drawn, the common practice is for the banker to cancel the signature and then the cheque is discharged.

**DISCHARGING CARGO.**—In all maritime transactions expedition is of the utmost importance, for even by a short delay the season or object of a voyage may be lost. Where the time is expressly ascertained and limited by the terms of the contract, the merchant will be liable to an action for damages if the thing is not done within the time, although this may not be attributable to any fault or omission on his part, for he has engaged that it shall be done. If the merchant is the author of the delay by which expenses are afterwards occasioned, those expenses will fall on him. Difficult questions may sometimes arise as to the circumstances which ought to be taken into consideration in determining what time is reasonable for discharging cargo. The

bankrupt is a lessee, the trustee can free himself from all liability by disclaimer within the twelve months. The lease is put an end to by the disclaimer, but if there is a sub-lessee in possession, he cannot be ejected on disclaimer by the trustee of the lessee. The landlord may, however, distrain for the rent in arrear. If the bankrupt is assignee of the lease, and the lease is disclaimed, the rights of the landlord and the lessee are unaffected by the disclaimer.

(c) **Loss of Right to Disclaim.** A trustee loses his right to disclaim if an application in writing has been made to the trustee by any person interested in the property, requiring him to decide whether he will disclaim or not, and he has for twenty-eight days after the application, or such extended period as may be allowed by the court, declined or neglected to give notice whether he disclaims or not. In the case of a contract, if the trustee, after application, does not disclaim the contract, he will be deemed to adopt it. Failure to decide within this period may render the trustee personally liable for the payment of rent and costs, if he desires to disclaim.

(d) **Rescission of Onerous Contract.** The court may make an order rescinding bankrupt's contract on such terms as to payment by or to other party of damages for the non-performance of the contract, or otherwise as may seem equitable, and damages payable under the order to any person may be proved by him as a debt under the bankruptcy.

(e) **Vesting Orders.** The court may vest disclaimed property in any person entitled thereto, or in any person to whom it may seem just that the same should be delivered by way of compensation for liability incurred owing to disclaimer, or to a trustee for him, and on such terms as the court thinks fit. On a vesting order being made, the property vests without any conveyance or assignment for the purpose. The court has power to make a vesting order, not merely of the interest which the person making the application had in the disclaimed property before the bankruptcy, but if necessary it may make an order for the vesting in him by way of compensation of something to which he was not previously entitled. Where property disclaimed is leasehold, the court cannot make a vesting order in favour of an under-lessee or mortgagee by demise unless such person becomes subject to the liabilities and obligations of the bankrupt at the date when the bankruptcy petition was filed. If there be no person claiming under the bankrupt who is willing to accept such terms, the court has power to vest the bankrupt's estate and interest in the property of any person, freed and discharged from all estate incumbrances and interest created by the bankrupt. A mortgagee or sub-lessee from a bankrupt lessee can, as a rule, only obtain a vesting order upon the terms and conditions above mentioned. The persons most likely to seek for vesting orders are sub-lessees and mortgagees. It is competent for the landlord of a bankrupt lessee to apply for an order vesting the property in the mortgagee, subject to the liabilities of the original lease. When a mortgagee does not appear on a debtor's application, the court will exclude him from all interest in and security on the property, unless he shall soon declare his option to taking a vesting order. A person claiming an interest in the property must, on request of the official receiver or trustee, furnish a statement of his interest.

(f) **Persons Injured by Disclaimer.** A person injured by a disclaimer is deemed to be a creditor of the bankrupt to the extent of the injury, and

may prove for that injury as for a debt under the bankruptcy.

Where a bankrupt was a lessee for a term of years at £500 a year, and the trustee disclaimed, the landlord showed that he was unable to let his premises at so high a rent. It was held that he was entitled to prove in the bankruptcy for the difference between the present value and £500 a year for the remainder of the term. Again, if the trustee disclaim shares partly paid up, the company may prove for the whole of the unpaid calls, less any value which may be attached to the shares.

**DISCONTINUANCE.**—The technical term for abandoning an action at law. Both the plaintiff and the defendant can put an end to litigation if they choose to do so, but except in the case of a plaintiff's giving notice in writing before the defence has been delivered that he intends to abandon his action, discontinuance is impossible without the leave of the court, and this leave will only be granted upon special terms. (See **ABANDONMENT OF ACTION**.)

**DISCOUNT.**—An allowance from the quoted price of goods, made usually by a percentage on the price, and may be trade discount or cash discount. Trade discount is an allowance made from the usual invoice price and is usually at a high rate per cent., ranging from 7½ per cent to 75 per cent. It depends upon three things—

(a) The usual custom of the trade as to the discount allowed,

(b) The length of time to elapse before the debt becomes due,

(c) The market rate of interest.

Cash discount is an allowance made for the payment of accounts within stated periods, and is usually at a small rate per cent., ranging from 1½ per cent to 6 per cent. It is deducted from the statement on settlement of the account, and is looked upon as being earned by the cash in contradistinction to the earnings arising from trading. In some businesses, cash discount is computed in days, and is allowed at a certain rate per cent. for the number of days intervening between the date on which settlement is made and that on which the account becomes due for net terms.

True discount, although bearing the name, is not in reality discount, but is the amount representing interest from any given date to the due date of a debt calculated on its true present worth, the true present worth being the amount which, with interest, will amount to the same amount as the debt by its due date. In business transactions, however, true discount is never met with, but the calculation is invariably made, especially from a banker's point of view, as though the allowance to be made was interest upon the sum payable. Thus, if discount is allowed for twelve months at the rate of 5 per cent upon a debt of £1,000, the sum of £50 is deducted and the debt is paid by handing over the sum of £950. This is what is known as banker's discount. This is not, however, an accurate calculation of discount. The problem that should be really presented is this: What is the sum of money which will, at the given rate of interest, amount at the end of the given period to the value of the deferred payment? The method of determining this is to take the sum of £1, and to find the amount of it for the given time, and then to divide the given sum by that amount. The quotient will give the correct answer. Thus, suppose it is required to find the true discount of £1,000

title of the pledgor is in any way defective, the pledgee cannot recover more than the amount of his advance, and only then if he has taken the bill without notice of the defect in the title of the pledgor.

**DISCOVERY.**—This is the name given to a certain part of the interlocutory proceedings (*q v*) in the conduct of a civil action at law. By means of it each party may compel his opponent to declare upon affidavit what documents are in his possession which relate to the subject-matter of the litigation. Its object is to reduce the question or questions in dispute to the narrowest limits by compelling a full disclosure of the documentary evidence upon which each party relies, and thus preventing surprise and a protracted investigation when the case comes on for trial. Under the name "discovery" is included the process by which interrogatories are applied, *i e.*, certain questions, previously allowed by the court, which must be answered on oath and which may be used as evidence at the trial. Discovery is only applicable in civil cases, never in criminal. It applies equally to proceedings in the High Court and the county court.

**DISCRETIONARY ORDER.**—This is an order which is sent by a person who is speculating upon the Stock Exchange to his broker, accompanied by the usual amount of cover, authorising the broker to purchase a certain amount of stock or shares, but leaving to the broker absolute discretion as to the stock or shares to be purchased.

**DISSEMBARKMENT.**—The act of landing goods which have been consigned by ship from one port to another.

**DISHONOUR OF BILL OF EXCHANGE.**—A bill of exchange is said to be dishonoured when there is a refusal on the part of the drawee to accept the same, or when, after the bill has been accepted, the acceptor refuses to pay the amount of the bill on the due date of payment. When a bill is dishonoured by non-acceptance, the holder (*q v*) has an immediate right of recourse against the drawer and any of the indorsers, and when the bill is dishonoured by non-payment there is a similar right against the acceptor as well as against all the other parties. In addition, a bill is further dishonoured by non-payment when presentment is excused, and the bill is overdue and unpaid.

But before he can avail himself of these drastic remedies, the holder must strictly comply with all the requisite rules. First of all, he must give notice of dishonour. This is the formal notice that the bill has been refused acceptance or payment. As will be pointed out later, there are various cases in which notice of dishonour is excused. But it is not to be imagined that any reliance can be placed upon the fact that the drawer or any indorser of the bill is fully aware of the fact of dishonour. In order to hold any of such persons liable, notice of dishonour must be given to each of them. The drawer or any indorser to whom notice is not given is discharged from all liability, both upon the bill and upon the consideration for it. A very slight contemplation will make the reason for this strictness apparent. The person who is a party to a bill is aware of the fact that he may be called upon at a certain time to meet the same. It is presumed that he puts aside funds in order to liquidate his liability. It would be unjust that he should be compelled to lock his money up indefinitely. The law, then, allows him to assume that if the due date of

payment passes by, and if he has received no information that the bill has been dishonoured, the bill has been met in the ordinary course, and his liability is at an end.

These statements must be taken subject to Section 48 of the Act of 1882, which provides—

"(1) Where a bill is dishonoured by non-acceptance, and notice of dishonour is not given, the rights of a holder in due course, subsequent to the omission, shall not be prejudiced by the omission.

"(2) Where a bill is dishonoured by non-acceptance and due notice of dishonour is given, it shall not be necessary to give notice of a subsequent dishonour by non-payment unless the bill shall in the meantime have been accepted."

These two statements may be illustrated as follows. A bill is drawn and indorsed by several parties. The last transferee presents it for acceptance to the drawee. Acceptance is refused. The holder should at once give notice of dishonour, and as far as he is concerned the failure to do so is fatal to his rights. But if instead of giving the notice he transfers the bill to a holder in due course (*q v*), such holder is not prejudiced by the failure of his transferor to give the notice, but he may do so himself if, upon his presenting the bill to the drawee, it is again refused acceptance, and the parties to it are liable. In the second case a similar bill is presented for acceptance by the holder and acceptance is refused. Notice of dishonour is given to charge the parties. Before any action is brought the drawee accepts when the bill is again presented to him. Notice of dishonour by non-payment must be given if payment is refused in due course, although there had been the previous notice of dishonour for non-acceptance.

The following fifteen rules are laid down by Section 49 of the Act, in accordance with which notice of dishonour must be given—

"(1) The notice must be given by or on behalf of the holder, or by or on behalf of an indorser who, at the time of giving it, is himself liable on the bill.

"(2) Notice of dishonour may be given by an agent either in his own name, or in the name of any party entitled to give notice, whether that party is his principal or not:

"(3) Where the notice is given by or on behalf of the holder, it enures for the benefit of all subsequent holders and all prior indorsers who have a right of recourse against the party to whom it is given.

"(4) Where notice is given by or on behalf of an indorser entitled to give notice as heretofore provided, it enures for the benefit of the holder and all indorsers subsequent to the party to whom notice is given.

"(5) The notice may be given in writing or by personal communication, and may be given in any terms which sufficiently identify the bill, and intimate that the bill has been dishonoured by non-acceptance or non-payment.

"(6) The return of a dishonoured bill to the drawer or an indorser is, in point of form, deemed a sufficient notice of dishonour.

"(7) A written notice need not be signed, and an insufficient written notice may be supplemented and validated by verbal communication. A mis-description of the bill will not vitiate the notice unless the party to whom the notice is given is, in fact, misled hereby.

from his liability, and so are all previous indorses, since they, in turn, cannot receive the notice in due time. The holder therefore, cannot sue any party, except those to whom the proper notice has been given.

As the post is generally made use of for the purpose of serving notices, it is essential that there should always be complete evidence forthcoming if necessary, that the notice was duly posted. A copy of the notice should be preserved, and the person who actually posted the letter should be called as a witness. It must also be proved that the letter was not returned through the Dead Letter Office.

The importance of giving notice of dishonour cannot be over-estimated, and it is advisable where a bill is dishonoured that notice should be given in every case, although it is provided by the Act that in some instances it may be dispensed with. These instances are as follow—

"(a) When after the exercise of reasonable diligence, notice cannot be given to or does not reach the drawer or indorser sought to be charged.

"(b) If waiver express or implied. Notice of dishonour may be waived before the time of giving notice has arrived, or after the omission to give due notice.

"(c) As regards the drawer in the following cases, viz—

"(1) Where the drawer and the drawee are the same person

"(2) Where the drawer is a fictitious person or a person not having capacity to contract

"(3) Where the drawer is the person to whom the bill is presented for payment

"(4) Where the drawer or acceptor is as between himself and the drawer under no obligation to accept or pay the bill

"(5) Where the drawer has countermanded payment

"(d) As regards an indorser in the following cases, viz—

"(1) Where the drawee is a fictitious person or a person not having capacity to contract, and the indorser was aware of the fact at the time he indorsed the bill

"(2) Where the indorser is the person to whom the bill is presented for payment

"(3) Where the bill was accepted or made for his accommodation"

It is quite clear that in law the acceptor of a bill is not entitled to any notice of dishonour when the bill is dishonoured by non-payment. The same rule applies to a person who has guaranteed payment by the acceptor. As to waiver of notice, when this is given in favour of a holder by the drawer, it applies also to all parties prior to the holder as well as to any subsequent holders. But if the waiver is given by an indorser, this only affects the indorser and the parties subsequent to him, as far as the indorser is concerned. Notice of dishonour must be given in due course to all prior indorsers. The party who waives notice of dishonour must be fully acquainted with all the circumstances of the case in order to make the waiver of any value.

In addition to giving notice of dishonour, the holder of a dishonoured inland bill may, if he thinks fit, cause the bill to be noted and protested. (See **NOTING A BILL, PROTESTING A BILL**)

**DISPATCH MONEY.**—This is a chartering term which is used to denote an allowance of so much per day or so much per hour, sometimes granted by the owners of a vessel to the charterer when the

latter has loaded or unloaded a vessel before the stipulated lay days for it are finished.

**DISQUALIFICATIONS OF BANKRUPT.**—Bankruptcy subjects a man to very serious disabilities. While he is bankrupt no man can sit or vote in the House of Lords or any committee thereof. Nor can a bankrupt be elected to or sit in the House of Commons. He is also disqualified from being elected or appointed or acting as a justice of the peace, mayor, alderman, or councillor, guardian of the poor, overseer of the poor, member of a sanitary authority, highway board, burial board, select vestry, or of a county council. Disqualification lasts for a period of five years from the date of the discharge. An undischarged bankrupt cannot be a member or chairman of a parish council, rural district council, or board of guardians, if he has within five years before his election or since his election, been adjudged bankrupt or compounded with his creditors.

The qualifications cease if and when adjudication of bankruptcy is annulled, or if a certificate is granted with the discharge to the effect that the bankruptcy was caused by the bankrupt's misfortune without any misconduct on his part.

If a member of the House of Commons is adjudged bankrupt, and the disqualifications arising therefrom under the Act are not removed within six months from the date of the order, the court shall, immediately after the expiration of that time, certify the same to the Speaker, and thereupon the seat of the member becomes vacant. If a person is adjudged bankrupt whilst holding the office of mayor, alderman, councillor, guardian, overseer, or member of a sanitary authority, highway board or select vestry, his office becomes vacant.

It is possible that a new Bill will shortly be passed making the disqualifications of a bankrupt more severe than at present.

**DISSSECTION.**—This is a term which is met with in accounts, especially in those accounts dealing with the drapery trade, and it signifies the separation of the accounts of sales and purchases, so as to show the workings of the various departments of the house.

**DISSEISE.**—To deprive a freeholder of his seisin or possession of an estate.

**DISSEISIN.**—The deprivation of a person of the seisin or possession of an estate of freehold.

**DISSOLUTION OF PARTNERSHIP.**—This phrase signifies the termination of a partnership, or the breaking up of a firm, caused by the voluntary retirement of one or more of the partners, or by the operation of law. (See **PARTNERSHIP**.)

**DISTILLERS.**—The Spirits Act, 1880, consolidated and amended the law relative to the sale of spirits. No person may distil, rectify, or compound spirits, without a licence. The penalty for disobedience is £500, and the forfeit of all vessels and materials. Every person is deemed to be a distiller who makes or keeps wash prepared or fit for distillation. The distiller in England must not keep more than two wash stills and two low wine stills on his premises at the same time, or one still of a capacity of less than 3,000 gallons. A distiller may keep a still of a capacity of 400 gallons and upwards upon obtaining a licence signed by three justices. The distillery must be situated within a quarter of a mile of a market town, but the Commissioners of Inland Revenue may grant a licence for a distillery beyond that limit. Lodgings must be provided for the officers of excise who are placed in



from his liability, and so are all previous indorsers, since they, in turn, cannot receive the notice in due time. The holder, therefore, cannot sue any party except those to whom the proper notice has been given.

As the post is generally made use of for the purpose of serving notices, it is essential that there should always be complete evidence forthcoming, if necessary, that the notice was duly posted. A copy of the notice should be preserved, and the person who actually posted the letter should be called as a witness. It must also be proved that the letter was not returned through the Dead Letter Office.

The importance of giving notice of dishonour cannot be over-estimated and it is advisable where a bill is dishonoured that notice should be given in every case, although it is provided by the Act that in some instances it may be dispensed with. These instances are as follows—

"(a) When, after the exercise of reasonable diligence, notice cannot be given to or does not reach the drawer or indorser sought to be charged,

"(b) By waiver express or implied. Notice of dishonour may be waived before the time of giving notice has arrived, or after the omission to give due notice,

"(c) As regards the drawer in the following cases, viz—

"(1) Where the drawer and the drawee are the same person

"(2) Where the drawer is a fictitious person or a person not having capacity to contract

"(3) Where the drawer is the person to whom the bill is presented for payment

"(4) Where the drawee or acceptor is as between himself and the drawer under no obligation to accept or pay the bill

"(5) Where the drawer has countermanded payment

"(d) As regards an indorser in the following cases, viz—

"(1) Where the drawee is a fictitious person or a person not having capacity to contract, and the indorser was aware of the fact at the time he indorsed the bill

"(2) Where the indorser is the person to whom the bill is presented for payment

"(3) Where the bill was accepted or made for his accommodation"

It is quite clear that in law the acceptor of a bill is not entitled to any notice of dishonour when the bill is dishonoured by non-payment. The same rule applies to a person who has guaranteed payment by the acceptor. As to waiver of notice, when this is given in favour of a holder by the drawer, it applies also to all parties prior to the holder as well as to any subsequent holders. But if the waiver is given by an indorser, this only affects the indorser and the parties subsequent to him, as far as the indorser is concerned. Notice of dishonour must be given in due course to all prior indorsers. The party who waives notice of dishonour must be fully acquainted with all the circumstances of the case in order to make the waiver of any value.

In addition to giving notice of dishonour, the holder of a dishonoured inland bill may, if he thinks fit, cause the bill to be noted and protested. (See **NOTING A BILL, PROTESTING A BILL**)

**DISPATCH MONEY.**—This is a chartering term which is used to denote an allowance of so much per day or so much per hour, sometimes granted by the owners of a vessel to the charterer when the

latter has loaded or unloaded a vessel before the stipulated lay days (*q v*) are finished.

**DISQUALIFICATIONS OF BANKRUPT.**—Bankruptcy subjects a man to very serious disabilities. While he is bankrupt no man can sit or vote in the House of Lords or any committee thereof. Nor can a bankrupt be elected to or sit in the House of Commons. He is also disqualified from being elected or appointed or acting as a justice of the peace, mayor, alderman, or councillor, guardian of the poor, overseer of the poor, member of a sanitary authority, highway board, burial board, select vestry, or of a county council. Disqualification lasts for a period of five years from the date of the discharge. An undischarged bankrupt cannot be a member or chairman of a parish council, rural district council, or board of guardians, if he has within five years before his election, or since his election, been adjudged bankrupt or compounded with his creditors.

Disqualifications cease if and when adjudication of bankruptcy is annulled, or if a certificate is granted with the discharge to the effect that the bankruptcy was caused by the bankrupt's misfortune without any misconduct on his part.

If a member of the House of Commons is adjudged bankrupt, and the disqualifications arising therefrom under the Act are not removed within six months from the date of the order, the court shall, immediately after the expiration of that time, certify the same to the Speaker, and thereupon the seat of the member becomes vacant. If a person is adjudged bankrupt whilst holding the office of mayor, alderman, councillor, guardian, overseer, or member of a sanitary authority, highway board, or select vestry, his office becomes vacant.

It is possible that a new Bill will shortly be passed making the disqualifications of a bankrupt more severe than at present.

**DISSECTION.**—This is a term which is met with in accounts, especially in those accounts dealing with the drapery trade, and it signifies the separation of the accounts of sales and purchases, so as to show the workings of the various departments of the house.

**DISSEISE.**—To deprive a freeholder of his seisin or possession of an estate.

**DISSEISIN.**—The deprivation of a person of the seisin or possession of an estate of freehold.

**DISSOLUTION OF PARTNERSHIP.**—This phrase signifies the termination of a partnership, or the breaking up of a firm, caused by the voluntary retirement of one or more of the partners, or by the operation of law. (See **PARTNERSHIP**).

**DISTILLERS.**—The Spirits Act, 1880, consolidated and amended the law relative to the sale of spirits. No person may distil, rectify, or compound spirits, without a licence. The penalty for disobedience is £500, and the forfeit of all vessels and materials. Every person is deemed to be a distiller who makes or keeps wash preparation for distillation. The distiller in more than two wash on his premises at the capacity of less than 100 gallons must keep a still of a capacity upon obtaining a licence. The distillery must be a mile of a market town. Inland Revenue may visit any distillery beyond that limit and provide for the officers of



premises let by the deceased person whom he represents, but a person who is merely authorised to receive rent has no right to distrain on his own account. It is a very rare thing for a landlord to distrain personally. The usual practice is to employ a bailiff or an agent appointed by him for that purpose. No person, however, may act as bailiff unless he possesses a certificate granted by a county court judge. (See BAILIFF.) The bailiff should always be armed with some document in writing signed by the landlord, and he must also produce his certificate as a bailiff if it is demanded by any tenant upon whose goods he is levying a distress.

As above stated, it is the general rule that a distress cannot be levied elsewhere than upon the premises demised to the tenant, and in some cases during the time the tenancy lasts. Thus, if a notice to quit is given and a tenant holds over, there is no right to distrain for rent which is in arrear at the termination of the tenancy. This is the law as far as tenancies for less than a year are concerned, but if the tenancy is for years, the right of distrainment may be exercised during the six months following the termination of the tenancy, by reason of a statute passed in the reign of Anne. This is a reason why it is so often provided that the last instalment of rent shall be paid some time before the termination of the tenancy.

There is, however, one important exception to this rule as to a levy being made upon the demised premises. It refers to clandestine removals, where a tenant secretly and fraudulently removes his goods so as to avoid a distress being made. It is, therefore, provided that if the rent is in arrear (and this proviso is all important) and the tenant fraudulently and clandestinely removes his goods from the demised premises for the purpose of preventing a distress, the landlord may follow and take them from the place to which they have been removed within thirty days after such removal. If, however, a sale of the goods has taken place in the meantime to a *bona fide* purchaser, the landlord's right is ousted and the goods cannot be seized by him, but even in such a case, the tenant must still have an interest in the premises which he has quitted at the time when the seizure is made, otherwise the landlord will be too late. Thus, in one case, a tenant removed his goods on the last day but one of his tenancy, and it was held that, although the goods were removed fraudulently and clandestinely, the landlord could not follow and seize them after the tenancy had come to an end. If the tenancy has actually terminated when the tenant removes his goods, the landlord cannot follow them at all. The right of distress has gone, and the only remedy is to sue for the rent due by an action at law. In order to avoid difficulties, it is always advisable for the landlord to obtain an authority to follow goods from a local justice of the peace or from a police magistrate. Although, as will be pointed out later on, the right of distress extends, with certain exceptions and under certain conditions, to all goods which are upon the demised premises at the time of the levy, the goods of a lodger or a stranger can never be followed and taken in the same manner as the goods of a tenant. Again, if an entry is made upon premises where there is no right to take the goods in any event, the landlord will render himself liable to an action for trespass. In the metropolitan police district, which includes an area within 15 miles of Charing Cross, exclusive

of the City of London, a constable may stop and detain all carts and carriages employed in removing goods or furniture from a dwelling-house between 8 p.m. and 6 a.m., if there is any suspicion that a fraudulent and clandestine removal is taking place.

A landlord cannot distrain for more than six years' arrears of rent, unless the tenant has within that time given a written acknowledgment of previous rent being due. If the holding is an agricultural one, only one year's rent can be distrained for, subject to an extension if it has been customary to defer payment for three or six months. In the case of a bankrupt tenant, a landlord may distrain after the commencement of the bankruptcy, but his claim is only available for six months' rent accrued due prior to the adjudication. If he distrains within three months of the receiving order being made, he must pay any preferential creditors out of the proceeds of the distraint, and become a preferential creditor himself as to any loss he may sustain. For whatever balance of rent remains due after a distraint for the six months' rent, the landlord must prove in the bankruptcy proceedings against the tenant as an ordinary creditor. A distraint against the estate and effects of a company which is being wound up, otherwise than voluntarily, is void except by leave of the court.

In levying a distress the outer door of the premises cannot be broken open, but if the outer door is open, the person distraining may break any of the inner doors, or locks, if necessary, to reach the goods that are distrainable. If a window is open, an entrance may be effected through it, and the window itself may be opened further. The breaking or removal of a pane of glass to undo a fastening constitutes the distrainer a trespasser. A fence may be climbed over to get through an open door. A landlord or his agent may not force the padlock of a barn nor the outer door of a granary or stable for the purpose of distraining for rent, and he must not break open gates or knock down fences to effect his purpose, but he is justified in opening doors and locks by turning the key, lifting the latch, drawing the bolt, or using any of the usual methods adopted for gaining access. In every case where the distrainer can enter without committing trespass or using force, he is justified in his action. The forcible expulsion of a person lawfully distraining from the premises which he has entered will deprive the tenant of his immunity from having his outer door broken open in order to regain admittance. The distrainer must call a constable to see that no breach of the peace is committed.

It is the general rule that all personal chattels found on the premises, in respect of which the distraint is made, can be seized for the rent due. It is immaterial who is the owner, but this is subject to the Law of Distress Amendment Act 1908, which came into force in 1909, and is noticed later. And here comes the great difference between a distraint and an execution (*qv*). In the latter case, nothing can be seized which is not the property of the judgment debtor.

There are, however, many exceptions to the general rule, some goods being absolutely privileged from seizure, whilst others are conditionally protected. Those which are absolutely privileged cannot be taken under any circumstances, and include—

(1) Things in actual use. The seizure of them might lead to a breach of the peace.

the period for which it is due To this declaration an inventory must be attached setting out the furniture, etc., referred to The following is a form of declaration which is commonly used in the case of a lodger—

*To Mr A B (landlord) of \_\_\_\_\_, to his bailiff,  
and to all others whom it may concern*

*I, C D, of \_\_\_\_\_, do hereby declare that I am a lodger, occupying the following rooms (stating them) at \_\_\_\_\_, and that your immediate tenant, E F, my landlord, has no right of property or beneficial interest in the furniture and goods distrained (or threatened to be distrained) for rent alleged to be due to A B, and of which an inventory is annexed Such furniture and goods are my property*

*And I also declare that I owe to the said E F, on account of rent for the said lodging, from to \_\_\_\_\_, the sum of £ \_\_\_\_\_ and no more (or, I have paid to the said E F all rent and arrears of rent in respect of the said lodgings)*

*The inventory is as follows—*

*(All goods to be set out specifically)*

*(Signature of lodger)*

*Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_*

A form of a similar character, with the modifications necessary for the particular case, will serve the purpose of the under-tenant or other person. The offence of making a false declaration or inventory is a misdemeanour if it is untrue to the knowledge of the deponent in any particular. The signature should be at the foot of the inventory, but in a recent case it was held to be sufficient for the purpose of the Lodgers' Goods Protection Act that the signature was at the end of the declaration provided the inventory was contained in the same paper.

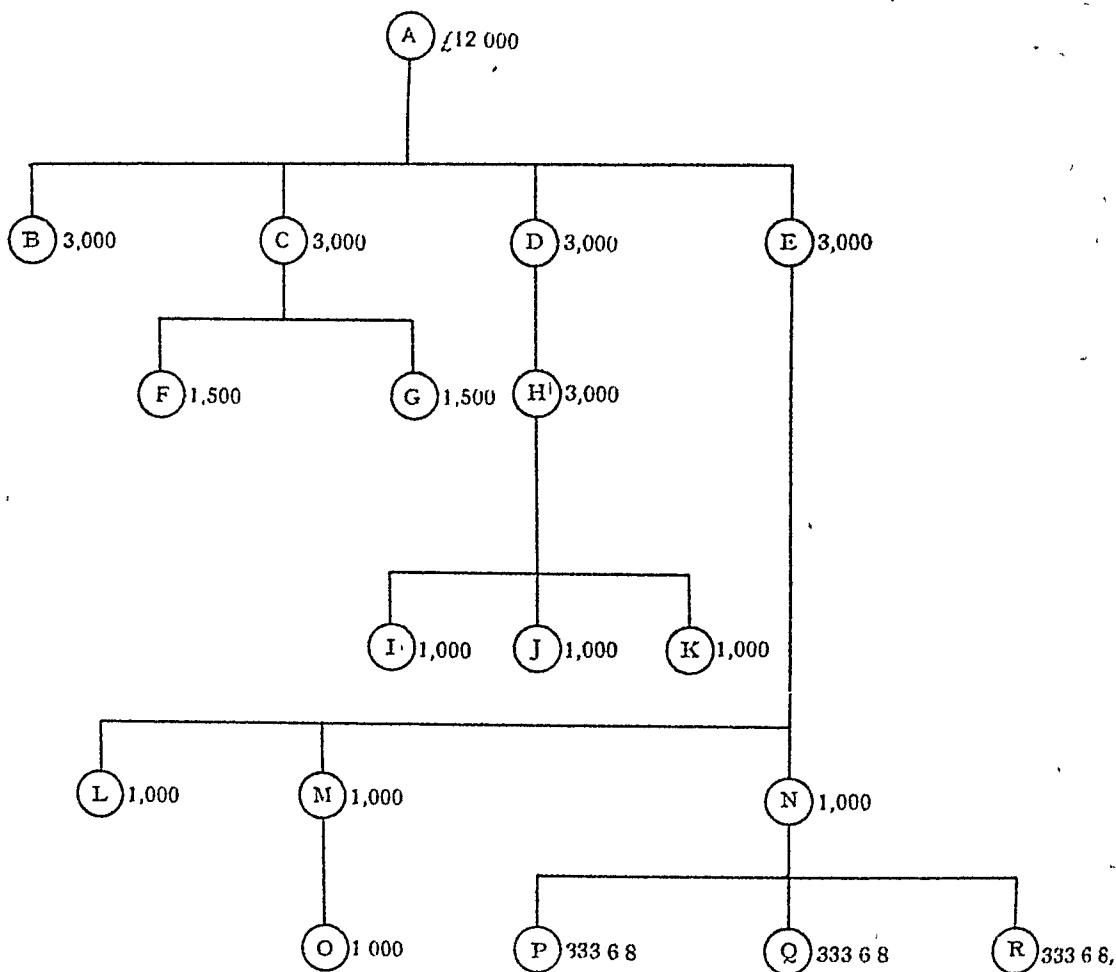
It is always advisable to have the notice in the above form, or as near thereto as possible, and no material fact connected with the matter should be omitted. When the declaration and the inventory have been served upon the landlord or the bailiff, and payment has been made of any rent due and an undertaking given to pay future instalments of rent as they shall become due, until the amount of the distress is discharged, the landlord or the bailiff must go out of possession. If the distress is then persisted in, the landlord and the bailiff will both be liable to an action for illegal distress, and damages may be recovered from both of them. Also the lodger, under-tenant, or other person aggrieved may apply to a justice of the peace or to a police magistrate for an order for restitution of the goods if the landlord or the bailiff refuses to restore them, when the truth of the declaration and the inventory will be inquired into, and such order made as may appear just. This statutory protection does not apply to goods belonging to the husband or the wife of the tenant whose rent is in arrear, nor to goods comprised in any bill of sale, hire purchase agreement, or settlement made by such tenant, nor to goods in the possession, order, or disposition of such tenant by the consent and permission of the true owner under such circumstances that such tenant is the reputed owner thereof, nor to any live stock to which Section 29 of the Agricultural Holdings Act, 1908, applies. There are other exceptions, but they need no notice here. Moreover, the protection does not extend to

the goods of an under-tenant where the under-tenancy has been created in breach of any covenant or agreement in writing between the landlord and his immediate tenant. If the lodger or under-tenant is compelled to pay any rent as above, or to give an undertaking as to future instalments of rent, he is entitled to deduct the amount thereof from any rent which he would otherwise have been compelled to pay to his immediate landlord. There is no specified time within which the declaration and the inventory must be served. But as the superior landlord's right of sale is at the end of five days from the seizure of the goods, the right against the distrainer will be lost unless proceedings are taken within that period, though there may remain other rights, as far as the lodger or the under-tenant is concerned, against the immediate landlord. It seems that the whole process, as above described, must be repeated on every occasion if more than one distress is levied.

The term lodger has been frequently used in the latter portion of this article, and it is necessary to define his exact position. A person is a lodger who has a defined portion of a house, which is in the occupancy of another person, assigned to him in consideration of a certain rent. All the incidents of landlord and tenant are then in existence between the tenant of the house and the lodger, and the tenant must take the same proceedings against his lodger to eject him, if it becomes necessary to do so, as a landlord must take against his own tenant. It is almost unnecessary to add that a tenant can distrain upon his lodger's goods in the same manner as a landlord can distrain upon the goods of his tenant.

**DISTRIBUTION, STATUTES OF.**—When a person dies intestate, the residue of his property, after payment of debts, is distributed in different ways, according as it is real or personal property. The realty descends according to the law of inheritance, while the personalty (which includes leasehold property) is divided up among his wife, children, or next-of-kin, according to the Statutes of Distribution. This general rule has been modified by the Intestate Estates Act, 1890, by which the widow of an intestate has gained certain preferential rights, provided always that there are no children or other issue of the marriage existing. By this Act it is provided that the real and personal estate of every man who shall die intestate after September 1st, 1890, leaving a widow, but no issue, shall, in all cases where the net value of such real and personal estates shall not exceed £500, belong to his widow absolutely. If the Act applies and the total value of the estate does not exceed £500, the widow takes all. And where the net value of the estate exceeds £500, under similar circumstances the widow is entitled to a first charge of £500 upon the whole of the estate, whether real or personal, with interest at the rate of 4 per cent from the death of the intestate until payment. The charge of £500, as between the real and personal representatives of the intestate, is to be borne and paid in proportion to the values of the real and personal estates respectively. The right of the widow as provided by the Act is in addition to her share in the residue of the estate. The main object of the Act was to meet the hard case of the widow, where her husband died intestate, leaving no children and only a small estate, for, however small the estate might be, she was previously only entitled to one-half of it.

The law as to the distribution of the personal



not, (3) brothers and sisters of the intestate are admitted before the grandfather, though they are all of the second degree

The table given on the opposite page will furnish sufficient illustrations for ordinary purposes

It should be noted that in the succession to the residue of an intestate's personal estate, males have no preference over females, nor an elder over a younger, nor paternal over maternal relations nor relations of the whole blood over those of the half blood, but all in the same degree take equally

Where a person is entitled to a share under the statutes, the share vests in him at the death of the intestate, and should he himself die before the estate is, in fact, distributed, it will be payable to his legal personal representative, and may even be attached, while unpaid, by creditors by way of equitable execution

The effects of a person who dies intestate without issue and without next-of-kin are known as *bona vacantia*, and go to the Crown. In the case of a person who is illegitimate dying intestate and without issue, his estate devolves upon the Crown as *bona vacantia*, but in this case it is usual for the Crown to deduct a percentage only, and to grant

the balance of the property to the persons who, if the deceased had been legitimate, would have claimed it as next-of-kin. The Crown takes *bona vacantia* by virtue of its prerogative, but subject always to the widow's claim to a half in case she survives her husband

The shares of persons who take any personal estate under an intestacy are liable to the same duty as are legacies to persons of the same degree of kindred, and the exemptions are the same as if the shares were legacies

The distribution of the personal property of an intestate after payment of his debts is generally governed by the law of the country where he was domiciled when he died. Consequently, if an Englishman dies intestate, domiciled in Germany or Spain, and leaving personalty in England, it would be distributed in accordance with the German or Spanish law of succession. Succession to real property, on the contrary, depends upon the law of the country where the land itself is situate; and, therefore, leaseholds which are realty by international, though not by English, law, devolve in accordance with English law of inheritance, even if their intestate owner died domiciled abroad. (See *INTESTACY*)

The holding of, and proceedings at, district council meetings other than as provided above, and always subject to the statutes, are governed by the standing orders which every district council makes for the regulation of its business. These standing orders vary in the extent to which they deal with procedure, where they are silent, the customary rules of debate apply, anyone concerned with a particular district council must, therefore, obtain and study its own standing orders. It may be useful, however, to select as examples a few of the provisions from actual sets of standing orders of an urban district council and a rural district council respectively.

**Urban District Council.** The council's ordinary meetings are held on alternate Wednesday evenings at 7.30, notice of same, with the usual particulars, including the business (so far as known), being posted to each member three clear days beforehand. Extraordinary meetings may be held on the requisition of three members and on twenty-four hours' notice being given to members. Resolutions or acts of the council can only be revoked or altered by a two-thirds majority at a special meeting convened on the requisition of three members. Failing the carrying of such revocation or alteration, it may not be attempted again for six months. The order of business after signing of the minutes, is (1) Deputations, (2) correspondence, (3) committee reports, (4) finance committee report, (5) reports of council officers, (6) business appointed by resolution of previous meeting, (7) motions and questions. With the exception of a few motions which may be moved without notice, five days' notice of motion is required. Speeches are limited to ten minutes and replies to five minutes each. Committees are to consist of three members, and the quorum to be two members. Committee meetings may be called at two days' notice, and five minutes' grace is allowed the chairman before someone else is appointed to the chair. A two-thirds majority may suspend these standing orders at a meeting either after due notice or in case of urgency.

**Rural District Council.** Ordinary meetings are held monthly on Thursdays, at 3 p.m., and two days' notice of same is given. Ratepayers in the rural district and reporters may be present until required by resolution to withdraw. Extraordinary meetings may be requisitioned by two members for the transaction only of the special business specified. Minutes are to be printed and sent members. The order of business, only to be varied by consent of the meeting, is (after signing the minutes) (1) Business arising out of the minutes, (2) communications from the Local Government Board, (3) other communications, (4) finance committee's recommendations, (5) other committees' reports, (6) officers' reports, (7) departmental requirements, (8) applications and appointment of officers, etc., (9) motions. Four days' notice of motion is required. Motions to rescind or repeat resolutions within six months require at least four members' names on the notice; and, if they fail, are barred for a further six months. No discussion is allowed on adjournment motions or on the motion to proceed to the next business. Speeches are limited to ten minutes. A reply is permitted not only to the mover of a substantive motion, but also to the mover of a successful amendment put as such. Three members may demand a recount of a show-of-hands vote before announcement of the result, as also (after the vote) a division, i.e., a taking of the names for and

against. A motion may, if practicable, be divided into parts on any member's request. The chairman may take a vote, without discussion, as to the exclusion of any business he deems objectionable. Any standing orders may, with the chairman's sanction, be suspended by a majority vote in case of urgency. There is also full provision regarding committees.

**DISTRICT RATE.**—(See GENERAL DISTRICT RATE.)

**DISTRICT REGISTRY.**—It is well known that writs in actions are issued out of the High Court in London, but to avoid difficulty and delay various registries or offices have been established in different parts of the country, presided over by the registrar—who is almost invariably the registrar of the local county court—in order that all such work as is done in chambers in interlocutory matters (*qv*) may be carried out without having recourse to the courts in London. All matters which are in the hands of a Master in Chambers in London may be conducted by a district registrar, from whose decision there is always a right of appeal to a judge in chambers.

**DISTRINGAS.**—This is a Latin word, signifying "that you distrain." It was the name of a writ which was formerly issued out of the High Court of Justice to prevent the transfer of particular stocks or shares, or the payment of dividends due upon the same. In 1880 this writ was abolished, and now a notice is served upon the company or other body affected which fulfils the same object. The notice is for the purpose of preventing the company or other body from dealing with funds in which other persons claim to have an interest. Application is made, in the first instance, to the High Court, the application being supported by an affidavit which sets out the material facts of the case, and when certain formalities have been complied with, the notice is served upon the company or other body sought to be affected by it. No dealing of any kind can then take place unless an eight days' notice is given to the parties who claim to be interested in the funds, etc., that some transfer, etc., is contemplated. Within these eight days steps must be taken, if it is thought necessary, to obtain further protection, otherwise the effect of the notice of *distringas* ceases. (See CHARGING ORDER.)

**DITTO.**—This word, which is often written "do"—this being a contraction of *ditto*—means the same thing as before, or something of a like manner. It is derived from the Latin word *dictum*, the past participle of the verb *dico*, "I say."

**DIVIDEND AND TRANSFER DAYS (BANK OF ENGLAND).**—These are the days upon which dividends are paid and transfers effected, so far as certain stocks are concerned with which the Bank of England is chiefly interested, at least to the extent of paying the dividends and executing the transfers.

Transfer days are Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays. Instructions are received from 9.30 a.m. until 3 p.m., but a fee of 2s. 6d. is charged if the instructions are given later than 1 p.m. Transfers may also be made on Saturdays, between 11 and 12.30, and for these also a fee of 2s. 6d. is charged.

Transfers of Bank Stock are charged 9s. for sums of £25 and under, and 12s. for sums over £25.

Dividends are due on the dates named below, and are payable the next day. When the due date

whole of the circulating capital of the company must be replaced, and a certain allowance made for the loss or depreciation of the fixed capital. The latter is generally provided for by the creation of a special fund, but in certain instances it is possible for the articles to provide that no loss or depreciation shall be provided for, especially when the company is established for the purpose of carrying on a mere temporary concern. Again, as far as the fixed capital is concerned, any chance improvement in its value may be treated as a profit.

But other methods of calculating profits are necessary in the case of large businesses and joint stock companies. In his standard work on the Companies Acts, Lord Justice Buckley says: "The profits of an undertaking are not such sum as may remain after the payment of every debt, but are the excess of the revenue receipts over expenses properly chargeable to revenue account. As to what expenses are properly chargeable to capital and what to revenue it is necessarily impossible to lay down any rule. In many cases it may be for the shareholders to determine for themselves, provided the determination be honest and within legal limits. Where expenses properly chargeable to capital have been paid out of revenue, the company is justified in recouping the revenue account at a subsequent time out of capital. The proper and legitimate way of arriving at a statement of profits is to take the facts as they actually stand, and, after forming an estimate of the assets as they actually exist, to draw a balance so as to ascertain the result in the shape of profit and loss. If this be done fairly and honestly, without any fraudulent intention or purpose of deceiving anyone, it does not render the dividend fraudulent that there was not cash in hand to pay it, or that the company was even obliged to borrow money for that purpose. And the fact that an estimated value was put upon assets which were then in jeopardy and were subsequently lost does not render the balance sheet delusive and fraudulent."

Two cases in which the manner of calculating profits was discussed are worthy of reference, viz., *Lee v. Neuchatel Asphalte Company*, 1887, 41 Ch D 1, and *Verner v. General and Commercial Investment Trust*, 1894, 2 Ch 239. In the first it was decided that where the shares of a limited company have, under a duly registered contract, been allowed as fully paid-up shares in consideration of assets handed over to the company, it is under no obligation to keep the value of these assets up to the nominal amount of its capital, and the payment of a dividend is not to be considered a return of capital, merely on the ground that no provision has been made for keeping the assets up to the nominal amount of capital. There is nothing in the Companies Act to prohibit a company formed to work a wasting property, such as a mine or a patent, from distributing, as dividend, the excess of the proceeds of working above the expenses of working, nor to impose on the company any obligation to set apart a sinking fund to meet the depreciation in the value of the wasting property. If the expenses of working exceed the receipts, the accounts must not be made out so as to show an apparent profit, and so enable the company to pay a dividend out of capital, but the division of the profits without providing a sinking fund is not such a payment of dividends out of capital as is forbidden by law. In the second case, a different method of ascertaining profits was propounded. There the defendants were a limited

company, whose objects were to invest their capital in stocks, funds, shares, and securities of various descriptions, and the receipts of the company from the income of these investments were made applicable to paying a dividend. The market price of some of the investments of the company fell, and others of them proved worthless, so that the value of the company's assets was materially diminished, but the income received from the investment for the year considerably exceeded the expenses of the year. One of the trustees of the company brought an action on behalf of himself and all the stockholders in the company against the company and the other trustees to restrain the company from declaring a dividend, on the ground that, until the loss of capital was made up, a payment of dividend would be a payment out of capital. It was held, by the Court of Appeal, that it was within the power of the company to declare a dividend, inasmuch as there is no law to prevent a company from sinking its capital in the purchase of a property-producing income and dividing that income without making provision for keeping up the value of the capital; and that fixed capital may be sunk and lost, and yet the excess of current receipts over current expenses may be applied in payment of a dividend, though where the income of a company arises from the turning over of circulating capital, no dividend can be paid unless the circulating capital is kept up to its original value, as otherwise there would be a payment of dividend out of capital.

In the second case, Lord Lindley made the following remarks in the course of his judgment: "It has been already said that dividends presuppose profits of some sort, and this is unquestionably true; but the word profits is by no means free from ambiguity. The law is much more accurately expressed by saying that dividends cannot be paid out of capital, than by saying that they can only be paid out of profits. The last expression leads to the inference that the capital must always be kept up, and be represented by assets which, if sold, would produce it, and this is more than is required by law. Perhaps the shortest way of expressing the distinction which I am endeavouring to explain is to say that fixed capital may be sunk and lost, and yet that the excess of current receipts over current payments may be divided, but that floating or circulating capital must be kept up, as otherwise it will enter into and form part of such excess, in which case to divide such excess without deducting the capital which forms part of it will be contrary to law."

Dividends must be paid out of profits and out of profits alone, except as is provided by Section 91 of the Act of 1908. A payment of a dividend out of the capital is *ultra vires*, for it amounts to a reduction of the capital of the company, and such a reduction is rarely permissible. And, on general principles of liability, if directors do pay a dividend out of capital, they are held responsible to the company for the whole amount so paid. The articles cannot make provision for any such payment, nor can the shareholders resolve in a general meeting that the capital of the company shall be so applied. It is probable that if a dividend is illegally declared for the purpose of giving a fictitious value to the shares of a company, the directors who take part in declaring it may be made criminally liable for conspiracy to defraud, but it is not necessary that the whole of the profits of a company should be distributed. There is an inherent right in the director-

" Provided that—

" (1) No such payment shall be made unless the same is authorised by the articles or by special resolution,

" (2) No such payment, whether authorised by the articles or by special resolution, shall be made without the previous sanction of the Board of Trade

" (3) Before sanctioning any such payment the Board of Trade may, at the expense of the company, appoint a person to inquire and report to them as to the circumstances of the case, and may, before making the appointment require the company to give security for the payment of the costs of the inquiry

" (4) The payment shall be made only for such period as may be determined by the Board of Trade, and such period shall in no case extend beyond the close of the half year next after the half year during which the works or buildings have been actually completed or the plant provided

" (5) The rate of interest shall in no case exceed 4 per cent per annum or such lower rate as may for the time being be prescribed by Order in Council

" (6) The payment of the interest shall not operate as a reduction of the amount paid up on the shares in respect of which it is paid

" (7) The accounts of the company shall show the share capital on which, and the rate at which, interest has been paid out of capital during the period to which the accounts relate:

" (8) Nothing in this section shall affect any company to which the Indian Railways Act, 1894, as amended by any subsequent enactment, applies"

**DIVIDENDS IN BANKRUPTCY.**—The property of a bankrupt which is available for creditors after payment of costs is distributed by the trustee in the form of dividends

While retaining such sums as may be necessary for the costs of administration, the trustee must declare and distribute dividends as soon as possible. The first dividend must generally be declared and distributed within four months after the first meeting of creditors, while subsequent dividends must be declared and distributed at intervals of not more than six months

Before a dividend is declared, notice is sent to the *Gazette*, and to each creditor mentioned in the statement of affairs who has not proved. On declaring a dividend, the trustee also sends a notice showing the amount and method of payment of the dividend

Where the partner of a firm becomes bankrupt, a creditor to whom the bankrupt is indebted jointly with the other partners of the firm, or any of them, cannot receive any dividend out of the separate property of the bankrupt until all the separate creditors have received the full amount of their respective debts

Where joint and separate properties are being administered, dividends of the joint and separate properties must generally be declared together. The expenses of and incident to such dividends are fairly apportioned by the trustee between the joint and separate properties, regard being had to the work done and the benefit received by each property

In the calculation and distribution of a dividend,

the trustee makes provision for debts due to persons resident in places so distant that they have no time to tender their proofs, or to establish them if disputed, and also for provable debts which are the subject of claims not yet determined. He also makes provision for any disputed proofs or claims, and for administration expenses. Subject to the foregoing exceptions, he distributes as dividend all money in hand

As a creditor may come in at any time, the creditor who has not proved before the declaration of a dividend, may be paid out of any money in the hands of the trustee. Any dividend he may have failed to receive before that money is applied to the payment of any future dividend. He cannot, however, disturb the distribution of any dividend declared before his debt was proved by reason that he has not participated therein. Having realised all the property of the bankrupt, or as much as he can, without needlessly prolonging the trusteeship, the trustee declares a final dividend. Before so doing, he gives notice to the persons whose claims to be creditors have been notified, but not established to his satisfaction, that if they do not establish their claims to the satisfaction of the court within a time limited by the notice, he will proceed to declare a final dividend, without regard to their claims. After the expiration of the time so limited, or any further time allowed by the court, the property of the bankrupt is divided among the creditors who have proved their debts without regard to the claims of any other persons. The trustee cannot be sued for a dividend, but the court may order him to pay it, and also to pay out of his own money interest thereon for the time that it is withheld, and the costs of the application.

Even after his release, if he has moneys of the debtor in his hands, an order may be made against the trustee. It would not, however, be made in favour of one who had taken an assignment of a proved debt. A dividend cannot be attached to answer a judgment obtained against the creditor.

The trustee pays unclaimed dividends into the Bankruptcy Estates Account at the Bank of England. A receipt given to him by the Board of Trade is an effectual discharge. Unclaimed dividends mean dividends which, although declared on existing and admitted proofs, have not been claimed.

Any surplus remaining after payment in full of his creditors, with interest, and of the costs, charges, and expenses of the proceedings under the bankruptcy petition, belongs to the bankrupt.

The bankrupt may dispose of the surplus by will or deed, even while the bankruptcy is pending and before the surplus is ascertained.

**DIVIDEND WARRANT.**—This is an order issued by a joint stock company upon its bankers for the payment of the interest or dividend due to a shareholder upon his holding. Unless there is a special stipulation to the contrary, a dividend warrant must always be signed by the person to whom it is made payable. In practice, however, where a dividend warrant is made payable to several persons, the signature of one of them is generally accepted as sufficient, but when it is an interest warrant, the signatures of all are necessary.

**DIVIDIVI.**—The native name for the twisted pods of the *Casalpium conaria*, a leguminous tree of South America. These pods are rich in tannin, and are in great request by tanners and dyers. Great Britain's supplies come chiefly from Venezuela.



A banker keeps a record of all his liabilities on acceptances and indorsements

Where documents are given up against payment of a bill under rebate, the rate is usually  $\frac{1}{4}$  per cent above the deposit rate of the principal London banks, and is calculated from the date when the money (free of cost) will be in the hands of the person entitled to receive it, and at the place where it is payable. A receipt is indorsed upon the bill that the amount has been paid under rebate at per cent

**DOGS, THE LAW AS TO.**—The dog is a domestic animal, and is considered to be goods or property. It is, therefore, an offence to steal a dog, the same as it is an offence to steal goods. If a dog, which is not known to be vicious, bites a person, it is generally allowed this first bite free, although the consequences to the person bitten may not be pleasant. It is an offence to shoot a dog which is trespassing on the land of another. If the dog is wilfully sent upon the land of another, the offence, if any, is committed by the man, not by the dog.

An Act to consolidate the enactments relating to injury to live stock by dogs, and otherwise to amend the law, was passed in 1906. The owner of a dog shall be liable in damages for injury done to any cattle by that dog. If, on complaint, a court of summary conviction is satisfied that a dog is dangerous, and not kept under proper control, the court may order the dog to be kept under proper control, or be destroyed. The penalty for disobedience is 20s for every day of disobedience. Dog, in the highway must wear a collar with the name and address of the owner inscribed upon it. This rule is only compulsory in those parts of the United Kingdom where the local authority orders it. To prevent the worrying of cattle, dogs must not be allowed to stray between sunset and sunrise.

If a police officer considers that a dog is a stray dog, he may seize and detain it until the owner has paid all expenses. If the dog wears a collar with a name and address upon it, a notice will be sent to that address, stating that the dog will be sold or destroyed within seven days if not claimed before then. All expenses incurred by the police must be paid. No such dog seized shall be given or sold for the purposes of vivisection. The chief officer of police of each district must keep a register of all dogs seized, and this register shall be open to public inspection on payment of a fee of 1s. Establishments which receive stray dogs must also keep a register, and are entitled to charge 1s for inspection thereof.

If a person finds a stray dog, and takes possession of it, he must restore it to its owner, or give notice to the police of his district. The notice must be in writing, and must contain full particulars, *e.g.*, a description of the dog, where it was found, and who is detaining it.

An annual licence must be taken out by the owner or keeper of every dog which is more than six months old; the charge (duty) is 7s 6d (See LICENCES). No licence need be taken out for young hounds under twelve months old, if they have not been used in any pack of hounds. No licence is required for a dog kept by a blind person for his or her guidance. Sheep dogs are exempt from licence. The owner, whether farmer or shepherd, must fill up the proper form, and state that the dog is kept solely to tend sheep or cattle. If the farm is very large, as many as eight dogs may be kept without a licence. Heavy penalties are exacted if there

is any fraudulent misstatement made in the declaration.

If it is necessary in the public interest to do so, a public department may order that all dogs used for domestic purposes shall be muzzled.

**DOGSKINS.**—The skins of dogs are used for a variety of purposes, some being tanned and employed in the manufacture of boots, shoes, and gloves, while other long-haired kinds are valuable for mats, coats, etc. The latter sort is exported from New Chang, in China.

**DOGWOOD.**—A species of cornel tree, noted for the hardness of its wood, from which tool handles, cogs, and skewers are made. It produces the best charcoal for the manufacture of gunpowder, and it yields an oil, similar to olive oil. It is also valuable in medicine, a purgative and febrifuge being obtained from the bark.

**DOIT.**—A small piece of Dutch copper money—also called “duyt”—in value the eighth part of a stiver, or half a farthing in English money.

**DOLLAR.**—(See FOREIGN MONIES—CANADA, CHINA, MEXICO, UNITED STATES.)

**DOMICIL.**—The term is not capable of being exactly defined, but it indicates generally the place where a person has his true, fixed, and permanent home, and to which, whenever he is absent, he has the intention of returning at some time or other. It is frequently extremely difficult to decide, when a person changes his place of residence, what is his particular domicile at any particular time, yet it is most important to know it, since it is the law of the domicile which decides the capacity to contract in all the most important private affairs of life.

In 1869, in the case of *Udny v Udny*, Lord Westbury described what the law of domicile is as settled in the English courts as follows. “It is a settled principle that no man shall be without a domicile, and to secure this result, the law attributes to every individual as soon as he is born the domicile of his father if the child be legitimate, and the domicile of the mother if illegitimate. This has been called the domicile of origin, and is involuntary. Other domiciles, including domicile by operation of law, as on marriage, are domiciles of choice. For as soon as an individual is *sui juris*, it is competent to him to elect and assume another domicile, the continuance of which depends upon his will and act. When another domicile is put on, the domicile of origin is for that purpose relinquished, and remains in abeyance during the continuance of the domicile of choice, but as the domicile of origin is the creature of law, and independent of the will of the party, it would be inconsistent with the principles on which it is by law created and ascribed to suppose that it is capable of being by the act of the party entirely obliterated and extinguished. It revives and exists whenever there is no other domicile, and it does not require to be regained or reconstituted *anno et facto*, in the manner which is necessary for the acquisition of a domicile of choice. Domicile of choice is a conclusion or inference which the law derives from the fact of a man fixing voluntarily his sole or chief residence in a particular place, with an intention of continuing to reside there for an unlimited time. This is a description of the circumstances which create or constitute a domicile and not a definition of the term. There must be a residence freely chosen, and not prescribed or dictated by any external necessity, such as the duties of office, the demands of creditors, or the relief from illness; and it must be residence fixed not for a limited



incorporated by inference into the contract of marriage and determines the succession to such property, *e.g.*, where two French people intermarried, and subsequently came over to and lived in England for many years, and the husband acquired a huge fortune in business, it was held that he could not dispose of the fortune by will as he wished, irrespective of the claims of his wife under the matrimonial régime of their domicile of origin.

Wills are governed as regards their meaning and interpretation by the law of the domicile of the testator. It should be noted that leaseholds, although they are personal property by English law, are real property according to international law, and, therefore, a will that deals with English leaseholds must comply with the requirements of English law, in the same way as a will dealing with English real property. As to succession to property, the *bona vacantia* or unclaimed personal property in England of an intestate and heirless foreigner, domiciled and dying abroad, falls to the English Crown, and not to the government of the deceased's domicile, for the principle that "movable chattels follow the person" only applies to distribution, and not to a prerogative right of the Crown. A British subject residing or staying temporarily abroad can (since 1861) make a will (*et c.*) as far as his personal property is concerned, either in English form, or in the form in vogue in the country where he is residing, or in the form of the country where he is domiciled, or in the form of that part of the British dominions where he had his domicile of origin.

The domicile of a corporation is the place which is considered by law to be the centre of its affairs. In the case of a non-trading corporation, it is the place where its functions are discharged. The domicile of a trading corporation or company is its principal place of business, or where its head office is and its administration is chiefly carried on. For the purpose of the Income Tax Acts, a company registered here, with a registered office here, and governed by a board which meets here, is resident here, and profits derived from a trade carried on partly within and partly without the United Kingdom are all assessable, whether received here or not. A foreign corporation may reside in this country for the purposes of income tax; the test of residence is, not where it is registered, but where it really keeps house and does its real business; the real business is carried on where the central management and control actually abides, and whether any particular case falls within the rule is a pure question of fact to be decided not according to the construction of any particular by-law or regulation, but upon an examination of the course of trading and business. On the above principles the De Beers Consolidated Mines, Ltd., were held liable to pay income tax in England.

Domicile must be clearly distinguished from nationality. A foreigner may settle in England with the full intention of remaining here, and yet, although domiciled, may not become naturalised. He retains his nationality, which is different from his domicile. Nationality is of political importance in many cases, and each country has its own peculiar laws by which its subjects are bound, whatever their domicile and which it may enforce against them either by international privileges accorded, or on their chance return to their native land. Domicile has to do with commercial and domestic matters simply, and regulates the ordinary

transactions of every-day life. The importance of the determination of domicile will be seen more fully in the article on INTERNATIONAL LAW (*q.v.*) According to Professor Westlake the modern tendency is to substitute political nationality for domicile as the test of personal law as far as possible. (See WILLS.)

**DOMICILED BILL.**—This is the name which is given to a bill which is made payable at some place other than the residence or business house of the acceptor. Many firms domicile their bills at the head office or London agents of their bankers.

**DOMINICA.**—(See SAN DOMINGO.)

**DONATIO MORTIS CAUSA.**—A Latin phrase, signifying a gift made in contemplation of death. It is limited to a gift of personal property made by the deceased, either personally or by an agent acting in his presence, and completed by manual delivery to the donee. It is upon condition, which need not be expressed but may be inferred, that it is to take effect only in case of the death of the donor. If the donor recovers from his illness, the gift is revoked. The gift may be of the property itself, or of the means of obtaining possession of the property, or of the documents of title to the property. A *donatio mortis causa* operates not from the death of the donor, but from the delivery during life to the donee. It is liable for the payment of the debts of the donor if his assets are insufficient for the payment of his debts, but it forms no part of his assets. It is liable to legacy and estate duty, but it does not require probate or the executor's assent. An excellent example of the gift was where a man expecting to die at any moment gave his sister-in-law a banker's deposit note, saying that he was going to give it her conditionally; if he got well, she would give it him back; and if not, she was "all right." There the condition attached to the gift was accurately expressed, but it is sufficient if it is clear that the gift was intended to be absolute only on the donor's death. A gift may be good as a *donatio*, although coupled with a trust or condition that the donee shall do something as, *e.g.*, that he shall provide and pay for the donor's funeral. It has been decided that the following are capable of being the subject matter of a *donatio*: bank-notes, coins, mortgage deeds, bonds, promissory notes, bills of exchange, cheques payable to the donor's order and not indorsed, deposit receipts (though stated to be not transferable), a policy on the donor's life, a post office savings bank book, but not a deposit invested by a savings bank in Government stock, even though the certificate of investment be given also. A gift of a cheque upon a banker is not good as a *donatio*, because it is a gift which can only be made effectual by obtaining payment of it in the donor's lifetime, and is revoked by his death. An instrument which forms no part of the title to property cannot take effect as a *donatio*, *e.g.*, a receipt for South Sea annuities, which was a document forming no part of the title to the annuities, and this principle has been applied to scrip certificates for railway stock. The gift of a box containing share certificates and other valuables, where the donor retains the key of the box, is not a good *donatio*. An absolute and irrevocable gift cannot, of course be a *donatio*. A *donatio* resembles a legacy, but differs from an ordinary gift, as it is incomplete and revocable during the donor's life. It differs from a legacy in that it does not need probate, owing to the donee's title being directly derived from the donor in his lifetime; it is not a testamentary act; and it is taken not from,

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## Dr.

## RECEIPTS AND EXPENDITURE ON CAPITAL ACCOUNT TO DECEMBER 31ST, 1911

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To Expenditure— Shaft Sinking, etc. Plant and Machinery Wagons Workmen's Cottages Land acquired Office Buildings „ Balance	Amount expended to Dec 31st, 1910			Amount expended during 1911			Total to Dec 31st, 1911			By Receipts— Ordinary Shares per A/c Preference Shares per A/c Debentures	Amount received to Dec 31st, 1910			Amount received during 1911			Total to Dec 31st, 1911
	£	s	d	£	s	d	£	s	d		£	s	d	£	s	d	
	95,900	0	0	2,700	0	0	98,600	0	0		100,000	0	0	100,000	0	0	0
	26,000	0	0	3,200	0	0	29,200	0	0		45,000	0	0	50,000	0	0	0
	9,500	0	0	1,500	0	0	11,000	0	0		25,000	0	0	25,000	0	0	0
	8,000	0	0	500	0	0	8,500	0	0								
	10,400	0	0				10,400	0	0								
	1,000	0	0				1,000	0	0								
	£150,800	0	0	£7,900	0	0	158,700	0	0								
							16,300	0	0								
							£175,000	0	0		£170,000	0	0	£5,000	0	0	£175,000

GENERAL BALANCE SHEET, DECEMBER 31ST, 1911

	£	s	d		£	s	d
Capital Account—Balance at credit thereof as per Account	16,300	0	0	Sundry Debtors	20,000	0	0
Sundry Creditors	8,500	0	0	Short Workings Account	2,500	0	0
Bills Payable	5,200	0	0	Stock	12,000	0	0
Depreciation Fund	15,000	0	0	Investments	16,000	0	0
Reserve Fund	2,500	0	0	Cash at Bank	10,500	0	0
Profit and Loss Account	14,000	0	0	" in Hand	500	0	0
	£ 61,500	0	0		£ 61,500	0	0

Balance Sheet—December 31st, 1911.  
(SINGLE ACCOUNT SYSTEM)

Liabilities		Assets	
£	s d	£	s d
Nominal Capital, £200,000, divided into 15,000 Ordinary Shares of £10 each		Shaft Sinking	98,600 0 0
Preference Shares of £10 each		Plant and Machinery	29,200 0 0
Issued Capital—		Wagons	11,000 0 0
10,000 Ordinary Shares fully paid-up	£100,000	Workmen's Cottages	8,500 0 0
50,000 6 per cent Preference Shares fully paid-up	50,000	Land	10,400 0 0
		Office Buildings	1,000 0 0
Debentures 5 per cent		Sundry Debtors	20,000 0 0
Sundry Creditors		Short Workings Account	2,500 0 0
Bills Payable		Stock	12,000 0 0
Depreciation Fund		Investments	16,000 0 0
Reserve Fund		Cash at Bank	£10,500
Profit and Loss Account		" in Hand	500
			11,000 0 0
			£220,200 0 0

inadequate as regards rating, and this is one of the reasons why the Acts relating to sewers are very unequal to modern needs. They only provide for the draining of agricultural land, and there is no power to levy rates on houses in towns which would benefit by drainage and be saved from flooding. The rate can only be levied on persons whose lands are benefited in proportion to the benefit to be received. Hence before 1861, when new works were proposed to be executed, the consent of the owners of three-fourths of the lands to be charged had to be obtained, and the difficulties as to limited ownership, minorities and disabilities must be added to the main one of obtaining the consent of owners to new rates. Now new works may be carried out, without consent, unless they exceed £1,000. In this case the proprietors of half the area affected may express dissent, and if they do, the works cannot proceed, otherwise they may be executed.

The Commissioners have power to take lands compulsorily for new works under Provisional Order from the Board of Agriculture. No new Commissions are now issued, since the Act of 1861 provided for Drainage Boards, nor old Commissions altered as to area or powers, unless the Board of Agriculture, after enquiry, so recommends.

(b) *Powers of Individuals* Besides such provisions as described, the Act of 1861 enables private owners to procure outfalls for the drainage of their lands through the lands of adjoining owners. Any person interested in land may apply to an adjoining owner for leave to open new drains through his land, or to cleanse, widen, straighten, or improve drains already existing there. The assent of the adjoining owner is to be given under seal containing the terms and compensation required. There are provisions for cases of disability or incapacity to assent, and any occupier or person other than the owner is entitled to compensation for any injury, if he claims within twelve months after the improvements are completed. The assent is recorded by the applicant in the office of the clerk of the peace. Assent not being given within one month, the decision may be referred to two justices of the peace or to an arbitrator. On a decision that no injury will be caused, the applicant may proceed, and on a decision that any injury may be fully compensated by money, and after assessment and payment, the applicant may proceed. If the decision is that the injury is such that it cannot be fully compensated in money, the applicant is debarred from going on. The provisions are similar to those in the earlier part of the Act, where Commissioners desiring to interfere with any mill dam, weir, or other obstruction are prevented unless with the consent of the owner. The applicant has the permanent right of entering to keep the drains in order, or the owner of the land may keep them in order and recover the cost. The owner may also fill up or divert the drains if he substitutes others as efficient, and disputes as to this go to two justices.

In the analogous case of any person desiring to construct a drain to divert any natural watercourse, the Act makes provision for notice and dissents similar to the preceding.

(c) *Borrowing Money for Drainage* Acts known as Drainage Acts were passed from 1846 to 1856 for the purpose of encouraging agriculture, "and employment for the labouring classes," by Government loans to carry out private drainage schemes. It is significant that the first Drainage Act of 1846 recited that in the last session of Parliament an Act

had been passed for facilitating the enclosure and improvements of commons. The "owners" of land who were allowed to borrow public money, and make the drainage improvements, were persons of limited interests, who could not otherwise have charged the lands for this purpose. In 1864 the Improvement of Land Act (27 and 28 Vict. c. 114) further enabled such owners either to expend their own money or money borrowed for drainage improvements, mostly from land companies which had come into existence under the Land Drainage Act of 1849, this latter Act having first allowed the applying of private money by limited owners for drainage schemes and making it a charge on the land. The Act of 1864 repealed and enlarged the powers of that of 1849, and allowed other improvements besides drainage schemes. The borrowing and the proposed scheme have to be sanctioned by the Board of Agriculture (*qv*), which makes a provisional order if a permanent improvement is effected producing more than the yearly amount of the charge for the borrowed money. The improvements include drainage, and the straightening, widening, deepening, or otherwise improving drains, streams, and watercourses, the irrigation and warping of land, the permanent embanking and weiring of land from the sea or tidal waters, or from lakes, rivers, or streams. The Board may authorise entry upon adjoining lands for executing any works thereon which it thinks expedient for carrying out the improvement sanctioned. Since the Settled Land Act, 1882 (45 and 46 Vict. c. 38), improvements that may be made under the Improvement Act, 1864, are also improvements under the Settled Land Act, so that capital money may be expended by the trustees of a settlement after a scheme has been submitted to the trustees or the court by the tenant for life and approved, and the certificate of the Board has been given as to the proper execution of the works.

2 *Sanitary Drainage.* As drainage on a large scale for the purposes of agriculture had been entrusted to local Commissioners of Sewers, or bodies acting under local Acts, or to drainage district boards, so the primitive common law as to drainage was altered and made suitable for the growing town populations by local Acts obtained from the legislature. The modern law of sanitary drainage may be dated from the year 1845, when the Model Acts were passed by Sir Robert Peel. They set out various general provisions which were to be embodied in any local Acts afterwards passed, and amongst them were provisions as to drainage. In 1848 the first Public Health Act was passed, and the Public Health Act, 1875 (38 and 39 Vict. c. 55), codified the existing sanitary law. The law for England outside the metropolis as to sanitary drainage is, therefore, to be found in the latter Act or subsequent extensions. For the metropolis there are special Acts, and the law to a considerable extent is different. The question of the authorities who administer the general sanitary law is treated under the title LOCAL GOVERNMENT.

(a) *Drain or Sewer* The leading distinction is between drain and sewer. A drain in ordinary language is an artificial conduit or channel for carrying off water, sewage, etc. By the definition of the Act of 1875, it is—

"Any drain of, and used for the drainage of, one building only, or premises within the same curtilage, and made merely for the purpose of communicating therefrom with a cesspool or

in the money market, signifying the flowing away of the reserve of gold and silver, either in specie or in bullion, to such an extent as, if not checked, would soon leave an insufficiency in the country to meet the requirements of trade.

**DRAWBACK.**—A term in commerce employed in connection with the remitting or paying back of excise duties on certain classes of articles exported. A drawback is a device resorted to for enabling a commodity affected by taxes to be exported and sold in the foreign market on the same terms as if it had not been taxed at all. It differs in this from a bounty—that the latter enables a commodity to be sold abroad for less than its natural cost, whereas a drawback enables it to be sold exactly at its natural cost. Were it not for the system of drawbacks, it would be impossible, unless when a country enjoyed some very peculiar facilities of production, to export any commodity that was more heavily taxed at home than abroad, but the drawback obviates this difficulty, and enables merchants to export commodities loaded at home with heavy duties, and to sell them in the foreign market on the same terms as those fetched from countries where they are not taxed. Most foreign articles imported into this country may be warehoused for subsequent exportation. In this case they pay no duties on being imported, and, of course, get no drawback on their subsequent exportation. In preparing goods for drawback, they must be packed in the presence of an excise officer, who sees them weighed, if the drawback depends upon weight. When the package is completed, he encloses it with a tape, which is properly fixed with a seal. Under this seal it is transferred to the port of shipment, and cleared for export by a person authorised by licence from the officers of customs. In the case of press-packed goods, the quantities and qualities must be verified by the oath of the master packer or his foreman. Drawback is given only on goods which have been charged with duties within three years, and no drawback is given on damaged or decayed goods. It is payable only to the real owners of the articles shipped. The earlier tariffs contained elaborate tables of the drawbacks allowed on the exportation or re-exportation of commodities, but so far as the United Kingdom is concerned, the system of "bonded warehouses" practically abolished drawbacks, as commodities can be warehoused (placed in bond) until required for subsequent exportation.

**DRAWEE.**—The person or persons upon whom a bill of exchange is drawn, and who becomes or become, after signing the bill, the acceptor or acceptors. It is essential that the drawee and the acceptor should be the same person. All matters dealing with the drawee are noticed in the article ACCEPTOR.

In the case of a cheque, the drawee is obviously the banker upon whom the cheque is drawn.

**DRAWER.**—This is the person who gives the order contained in a bill of exchange. The presumption of law is that he is the creditor of the person upon whom he draws, i.e., that the drawee has funds in his hands belonging to the drawer, which the latter is desirous of transferring to a third party, the payee, or to himself. The drawer must have capacity to contract, and he must sign, either personally or by his duly authorised agent. Until he has signed, he is in no way liable upon the instrument, and he must sign the bill as such, i.e., not believing it to be some other kind of

instrument. If the signature is simply in the name of the drawer, he will be personally liable upon the bill. If he acts in any representative capacity, capacity must be clearly indicated on the bill in order to exclude personal liability. A corporation capable of contracting will draw a bill in the name authorised by its constitution, a partnership, in the trade name of the firm.

The signature should be made in ink. A signature in pencil has been held good, and a lithographed or stamped signature is quite sufficient. Instead of the signature in the case of a corporation the affixing of the corporate seal will have the effect of a signature.

The general form of a bill of exchange is under **BILL OF EXCHANGE**. No special words, however, are required to constitute a valid bill of exchange. The great point is to obtain the signature of the parties. So, therefore, if a man signs any part of the instrument he may be a drawer. If a bill is drawn, "I, A. B., direct you to pay to order and the instrument is in the handwriting of A. B. or of his duly authorised agent, A. B. is liable as drawer."

But it is very rare for the common form of bill to be departed from. In most cases the drawer obtains a properly stamped paper, and writes the whole himself, signing his name in the bottom right-hand corner. In other cases, the bill may be drawn by another person and forwarded to the drawer for the purpose of obtaining his signature. It is not absolutely necessary that the signature of the drawer should be placed upon the bill, but that of any other person, e.g., the acceptor or indorser. It may, in fact, be inserted at any time after issue. Of course, no person is bound to sign such a bill as drawer if it is sent to him, and his liability can attach in any way by reason of refusal to do so.

The first method by which a person becomes liable upon a bill as a drawer is when he signs the same before it is issued, and when he is the party (g.v.) to it. The second method is when he signs a bill sent to him as drawer, which is a bill filled up, and probably contains one or more indorsements, e.g., those of the acceptor, or of an indorser, but liability as a drawer may be constituted in any other way. Thus, by Section 20 of the Bills of Exchange Act, it is enacted—

"Where a single signature on a blank stamped paper is delivered to the signer in order that it may be converted into a bill, it operates as a *prima facie* authority to fill it up as a bill for any amount the stamp will cover, and the signature for that of the drawer, or of the acceptor, or an indorser, and, in like manner, when a bill is wanting in any material particular, the person in possession of it has a *prima facie* authority to fill up the omission in any way he thinks fit." (See **INCHOATE INSTRUMENT**.)

If the drawee refuses to accept a bill, or, if accepted, fails to pay it at the stipulated time, then the drawer becomes liable to the holder of the bill, in conjunction with any indorser, and it is not necessary to sue all the parties to the bill. As to the liability, see **INDORSER**. In order to render the drawer liable, all the necessary and proper steps connected with dishonour and presentation must have been taken. By dishonouring the bill the drawer engages "that on due presentation it shall be accepted and paid according to tenor, and that if it be dishonoured"

called a letter of hypothecation, in which the latter declares to mortgage the goods as a pledge to the payment or the acceptance of the draft, and to authorise the realisation of the goods in the shortest possible time in case of non-payment or non-acceptance. A documentary draft must, like every other bill, be accepted on presentation, the drawee would ask in vain for the acceptance to be deferred until the arrival of the goods. If the acceptance is refused, the bearer has the draft protested "for non-acceptance." He is, moreover, obliged to see that the goods on arrival at the port of destination are unloaded, stored in a warehouse, and insured against fire whilst waiting for the due date of the draft. The bearer must give the same attention, after acceptance, to the goods which are the object of a draft accompanied by documents which are to be delivered against payment. When a draft to which the documents remain attached is not paid on the third day of grace allowed after maturity, the bearer has it protested "for non-payment," and has the goods sold, observing the formalities prescribed for the realisation of the pledge. A bill of exchange is very frequently called a draft, but they really differ slightly. A draft is an open letter of request from one firm to another for the payment of a certain amount of money for goods shipped, a bill of exchange is an open letter of request from one man to another for the payment of a sum named therein to the writer or to a third person on the writer's account, by this method a man in a distant part of the world may have money remitted to him from any trading country. For the latter, a bill of exchange is the correct expression.

**DRAWINGS ACCOUNT.**—An account (usually in the case of partnerships) to which all items are debited during a period, so that easy reference is afforded. At the end of a balancing period the account is closed by transferring it to the debit of capital account, thus showing the total withdrawn during the period as one item, and obviating the necessity of encumbering the capital account with a mass of detail. In some cases the items comprised in a Drawings Account are subject to interest being charged on them, and in such cases the interest is also included in the account previous to its being closed by transfer.

**DRAWN BONDS.**—This is the name given to bonds which are drawn at one of the periodical drawings for payment on a certain date, and after which time all interest upon them will cease.

**DRUGGISTS.**—(See CHEMISTS AND DRUGGISTS.)

**DRUG IN THE MARKET.**—An unsaleable commodity or a stock of commodities which are on hand. Goods of any description are said to be a drug in the market when the supply is so great that they cannot be disposed of to any buyers.

**DRY DOCK.**—A dock from which all the water can be withdrawn, so that the repair of vessels can be effected.

**DRY GOODS.**—The name applied to such goods as drapery as distinguished from groceries.

**DRYSALTER.**—A dealer in salted or dried meats, pickles, etc., or in gums, dyes, and drugs.

**DUE DATE OF BILL.**—(See TERM OF PAYMENT OF BILL.)

**DUGONG.**—A species of sea-cow, somewhat resembling the whale. It is found in the Indian and Pacific Oceans, and is valuable for the oil obtained from it, which does not turn rancid, and is frequently employed in medicine instead of cod

liver oil. Dugong-hunting is one of the industries of Australia.

**DUIM.**—(See FOREIGN WEIGHTS AND MEASURES—HOLLAND.)

**DUNNAGE.**—Dunnage is a name applied to miscellaneous faggots, boughs, bamboos, old mats, or sails, and loose wood of any kind, laid in the bottom of the hold to rest the cargo upon. The duty of stowing the cargo in the ship lies on the shipowner and on the master as his representative, unless there is an agreement to the contrary. Moreover, the ship must provide whatever dunnage may be required. Dunnage is necessary to prevent goods being injured by contact with other goods, or with the sides of the ship, and to maintain the spaces required for ventilation and for allowing any drainage, and any leakage of the ship, to pass harmlessly into the bilges.

**DUODECIMALS.**—Computations which are made by means of twelfths, a method which is found convenient for builders, painters, and engineers in their calculations. The dimensions are taken in feet, inches, parts, etc., decreasing from left to right by twelfths. Inches are spoken of as primes, parts as seconds, and after that there are thirds, fourths, etc. Primes, seconds, thirds, etc., are denoted as follows, whether the measure is lineal, superficial, or solid—

3 primes	by 3'	3 fourths	by 3"
3 seconds	" 3'	3 fifths	" 3'
3 thirds	" 3"	3 sixths	" 3"

and so on, the index being always in Roman figures to distinguish the expressions from 3, 3<sup>2</sup>, 3<sup>3</sup>, etc., which have totally different meanings.

Square feet and cubic feet are divided similarly to linear feet, and their divisions are known as superficial primes, seconds, etc., and cubic primes, seconds, etc., respectively.

For the calculations which arise out of duodecimals (by the process of what is known as "cross-multiplication"), some standard work on "Commercial Arithmetic" must be consulted.

**DUODECIMO.**—This signifies a book which is formed of sheets folded in such a manner as to make twelve pages. The word itself is generally contracted into 12mo.

**DUPLICATE.**—A copy, transcript, or counterpart of any thing.

**DUPLICATING.**—Owing to the increasing necessity of making numerous copies of the same document, it has been found necessary to invent some means by which many copies can be obtained more quickly and less expensively than by the use of carbons in connection with a typewriter. It is for this reason that various processes (as detailed below) have been adopted by which many copies of a single document may be obtained cheaply and with the utmost rapidity.

**Hektograph or Gelatine Process.** The use of the Hektograph for the purpose of multiplying circulars, examination papers, menus, price lists, etc., is not so general as it was before the introduction of the stencilling process. No doubt this is due to the fact that not only are the duplicating powers of the latter far greater than those of the former, but also that its copies are infinitely clearer. Where, however, expense is a consideration, and not more than say, fifty copies are required, the Hektograph will be found very serviceable.

The directions for use are as follows: Clean the type thoroughly, type the matter with a

**Mimeograph.** The C. M. C. Diaphragm Mimeograph is a wonderful improvement on the first Diaphragm Mimeograph, although that, in its day, was a very great improvement upon the old Standard Mimeograph. It is a little more expensive, but it is well worth the additional cost, especially for the reproduction of typewritten matter, the Standard being more suitable for autographic reproduction.

It is fitted, as its name implies, with a diaphragm, that is to say, a specially woven cloth for the purpose of protecting the wax stencil from contact with the roller. This cloth has ink-proof margins of varying widths, so that by an interchange of diaphragms the same frame can be used for foolscap, draft, or brief copies.

Again, the stencil sheets are in "sets," namely, oiled tissue, wax, and backing sheet, and it is only necessary to place the perforating silk immediately behind the wax sheet, when the set will be ready for insertion in the typewriter, thus obviating the necessity of folding, etc.

The method of procedure is as follows:

Clean the type thoroughly, throw the ribbon out of gear, if the machine is fitted with a ribbon, insert the set of sheets in the typewriter, so that the face of the stencil, protected by the oiled tissue sheet, faces the type, type with a sharp touch, striking the more intricate letters, fractions, etc., with a firmer touch than the others, and the punctuation marks very lightly indeed. When the cutting is completed, check the matter by the original, preferably before removing the stencil from the machine, and

should an error be discovered, correct by tearing the tissue away from the particular spot blocking out the mistake with the correcting varnish, and typing the correction.

Withdraw the set from the typewriter, separate the sheets, and fix the stencil in the printing frame by slipping it up along the base underneath the top of the frame and fastening it to the studs at the back.

Place a blotter on the base-board, distribute a small quantity of ink in the enamelled tray by moving the roller in every direction until it is uniformly coated with ink, draw down the frame, and ink up the stencil by passing the roller over the diaphragm from the top downwards, until a good copy appears on the blotter. Run off a few trial copies, and as soon as the impression is clear and sharp, insert a sheet of paper on the base-board; pass the roller once only lightly over the diaphragm from top to bottom, keeping the handle of the roller well up. Lift the roller, and as the frame automatically opens, remove the sheet, which will be seen to bear a typewritten facsimile of the stencil. All that is then necessary is to repeat the operation until the desired number of copies is obtained, each

stencil being equal to a reproduction of from 500 to 1,000, according to the skill of the operator.

Before putting the Mimeograph away, remove the stencil and lay a piece of old newspaper underneath and on top of the diaphragm. Pass the roller firmly over the newspaper to absorb the surplus ink, remove the newspaper and repeat the operation. Pour a little of the cleaning fluid on the diaphragm and scrub it with the brush. Also sponge the perforating silk with the cleaning fluid, dry it between blotters, and keep it pressed flat when not in use to prevent it from becoming wrinkled.

**Press Copy.** The process of press copying letters, invoices, etc., is one of the earliest methods of keeping a record of outgoing correspondence, and, although it has of late years been in a great measure superseded by newer methods, such, for example, as the roller copy and the carbon duplicate, yet the press copy still holds sway in a good many offices, and has its advantages as well as its disadvantages.

The necessary equipment is as follows—

(a) A copying press (wrought iron or steel being preferable to cast iron) fixed on a good substantial stand, the stand being secured to the floor to prevent movement.

(b) A copying book, consisting of thin Japanese tissue pages, numbered consecutively from 1 to 250, from 1 to 500, or from 1 to 1,000, as the case may be, and bearing the word "Letters" or "Invoices" on the back, and having an index at the beginning of the book.

(c) A water bath, containing the cloths for damping purposes.

(d) Oil sheets to protect the pages

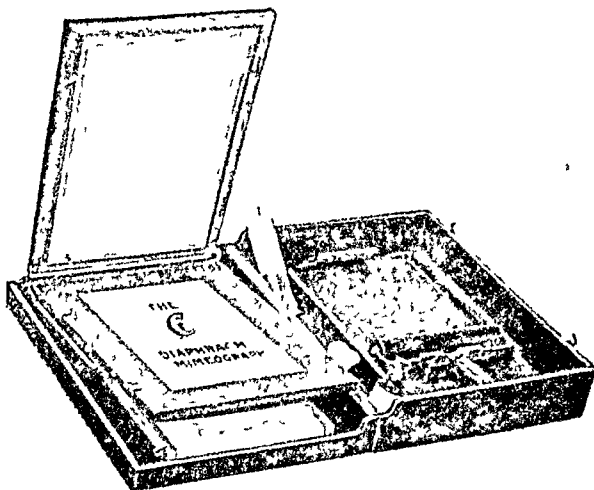
which are not being used from damp.

(e) Blotters or drying sheets to absorb the moisture from the pages after the letters are copied.

(f) A typewriter fitted with a copying ribbon or pad.

Let us suppose that a record of the day's correspondence has to be dealt with under this system. The letters must be typed and signed with copying ink. The letter book is then opened at the first blank page and an oil sheet placed over the page bearing the copy of the last letter, on this a damp cloth is spread and the next page turned over upon it. The first letter is then placed face downwards upon the page, and the process repeated until all the letters are inserted, unless there are a great number, when they may be copied in batches. The book is then closed and placed in the press, and the press either screwed down tightly or the lever brought down, according to the style of the press. After two or three minutes have elapsed, the book is taken out again and the oil sheets, damping cloths, and letters removed, and the pages interleaved with drying sheets.

The letters are then ready to be dispatched, and



Mimeograph.



the "sets" are taking the place of the separate sheets, and are a great improvement

These sets, either arranged ready to hand or by the typist, as the case may be, consist of a type-protecting tissue to protect the type from becoming clogged with the wax, a wax sheet for cutting the stencil, a silk sheet to receive the wax, which is expelled from the stencil by the force of the type, and a backing sheet to form a firm backing and prevent the sheets from creasing when the set is inserted in the typewriter

If the typewriter is equipped with a ribbon, the ribbon is thrown out of gear in order to obtain the full force from the type, and thus to ensure it penetrating the wax and leaving a clean-cut of each character, and it is this very fact of the ribbon being dispensed with that makes the type-protecting tissue necessary on machines which are fitted with a ribbon, but with a pad machine it is unnecessary, as the fact of the type being wet with the ink from the pad prevents the wax from adhering to it, consequently there is no fear of clogging

The chief points to be noted in stencilling are—

(a) That the supplies should be obtained from the manufacturer of the duplicator in question, as cheap supplies often prove the dearest, especially where wax sheets are concerned

(b) That the type should be absolutely clean and in good condition, as type which has become flattened by continued wear will not give a clean cut

(c) That the cylinder or platen of the typewriter should by preference be a "hard" one, and not full of pinholes or other indentations

(d) That the sets should be handled with care, as wax cannot be treated roughly with impunity

(e) That the touch should be "sharp," more especially for complex letters, but, on the other hand, it should be as light as possible where the comma, colon, semicolon, full stop, and kindred signs are concerned

If these points are treated with due respect, and the directions as to printing, which are furnished with each duplicator, carefully followed, then, provided the weather is not tropical, good results are bound to follow, and if the weather should be hot enough to make the wax sheet "soft," then it may be hardened by placing it on a tray over a bath of ice

**DURATION OF RISK.**—(See MARINE INSURANCE)

**DURRA.**—A genus of grasses which are extensively cultivated in Africa, the East Indies, and in the South of Europe. It is also known as durra millet, Indian millet, and sorgho grass. The common durra is a coarse, strong grass, with a round grain, slightly larger than a mustard seed. In Africa it is used as a substitute for flour and for rice. The leaves of one variety, known as Kaffir corn, are used as a cattle food. Another variety is the *Sorghum saccharatum*, or sugar grass. The trade in this article is on the decline

**DUTCH AUCTION.**—An auction in which an article is put up at a maximum price, which price is gradually lowered until some person expresses his willingness to close with the offer made

**DUTIES.**—These are taxes which are levied upon merchandise and manufactured goods. Those which are imposed upon goods coming into the country are called customs, and those which are imposed upon

goods manufactured in the country are called excise. The amount of the taxes levied varies according to the demands of the Government for the time being (See CUSTOMS, EXCISE)

**DUTY OF DEBTOR.**—The duties of a debtor against whom a receiving order has been made may be thus summarised. He must attend court at the hearing of a petition, and undergo his public examination (see PUBLIC EXAMINATION), prepare or assist in preparing the statement of affairs (see STATEMENT OF AFFAIRS); attend the first meeting of creditors (see MEETING OF CREDITORS), and submit to such examination and give such information as the meeting may require. The debtor must also give an inventory of his property, a list of his creditors and debtors and their debts, attend meetings of creditors, wait on the official receiver, special manager, or trustee, execute powers of attorney, conveyances, etc., and do such acts as may be reasonably required by the official receiver, special manager, or trustee, or directed by the court. He must also, on the request of the official receiver, furnish trading and profit and loss accounts for a period not exceeding two years before the date of the receiving order. He must, if adjudged bankrupt, aid to the utmost of his power in the realisation of his property, and the distribution of the proceeds among his creditors. If a debtor wilfully fails to perform his duties, or to deliver up property which is divisible amongst his creditors, and which is in his possession or under his control, to the official receiver, he may be guilty of a contempt of court

**DYE-STUFFS.**—These materials are divided into two main classes, viz, substantive dyes, which form insoluble pigments without the aid of any other substance, and adjective dyes, which require mordants to fix the colour. The chief mordants employed are the various metallic salts, especially those of tin and iron. Dye-stuffs are obtained from animal, vegetable, and mineral sources. Some are natural colouring matters, while others, especially the aniline colours, are artificially prepared. The principal dye-stuffs are dealt with individually

**DYNAMITE.**—A powerful explosive, generally prepared by saturating 25 per cent of an absorbent, usually kieselguhr, with 75 per cent of nitroglycerine. Kieselguhr is a siliceous earth found chiefly in Germany. When crushed and sifted, it is mixed with three parts of glycerine, kneaded into a paste, and passed through a sieve. The result is a reddish, somewhat greasy solid. Dynamite may also be prepared by mixing 71 per cent of potassium nitrate with 18 per cent of nitroglycerine, 10 per cent of powdered charcoal, and 1 per cent of paraffin. The dynamite thus obtained is black in colour and rather drier than that first described. Dynamite is made up in cartridges cased in waterproof paper. Small quantities may be burned without danger, but when exploded with a detonating fuse, it is very violent in its effect. It is not influenced by damp, and is, therefore, widely employed in submarine operations. It is much more powerful than either gunpowder or gun-cotton, and is chiefly used for blasting purposes. Though first obtained in 1846, it had no commercial importance till 1867, when Alfred Nobel's discovery rendered its preparation less dangerous



easement, and do not affect in any way its nature or extent, and accordingly it has been held that a person alleging that his easement of light has been interfered with must, notwithstanding that he can show uninterrupted user under the Prescription Act, show that the obstruction is a nuisance to his premises, the test of nuisance being whether sufficient light is left to the plaintiff's premises for the same to be used and enjoyed comfortably according to the ordinary requirements of mankind.

**Disturbance of Easements.** If an easement is interfered with to a substantial extent, a nuisance arises, actionable at the suit of the person owning the easement. Unless there is substantial injury, no actionable nuisance arises, *e.g.*, no nuisance is caused by obstructing a way, if it is still commodious according to ordinary notions, or for obstructing light, if sufficient remains for the dominant tenement to be still comfortably enjoyed for the ordinary purposes of mankind. The remedy for any such nuisance is by abatement or action. Abatement consists in the aggrieved party himself entering the servient tenement and removing the nuisance. Such abatement must, however, be carried out personally, and in such a way as to cause the least possible damage, and must not involve a breach of the peace. Abatement is, therefore, a somewhat risky remedy, an action being safer. In an action, damages may be obtained, and an injunction granted at the discretion of the court. The action may be in the county court if the rent or value of neither tenement exceeds £100, otherwise it must be brought in the High Court.

**Transfer and Extinction of Easements.** An easement cannot be transferred apart from the dominant tenement to which it appertains, and passes with a conveyance of that tenement without express mention. Extinction takes place (apart from the destruction of either tenement) by release, unity of seisin, or statute. A release may be either express or implied. At common law it required a deed, but at the present time a plea that an alleged release was not granted by deed would not be permitted, if inequitable. Unity of seisin arises whenever one owner becomes seized in fee simple of both tenements. Extinction by statute may occur by direct provision, or by implication, and frequently takes place under such statutes as the Land Clauses Consolidation Act, 1815, or the Railway Clauses Constitution Act 1845.

**EAST AFRICA PROTECTORATE.**—This territory, once included in the geographical expression British East Africa, extends from the Indian Ocean, in the neighbourhood of the equator, to Uganda. Its area is about 200,000 square miles, and the population is estimated at 4,000,000. Starting from a swampy coast, the land rises rapidly towards the Victoria Nyanza, and the climate is quite suitable for Europeans. It is in this territory that the two highest mountains of Africa are to be found, *viz.*, Kenia and Kilimanjaro. Much of the territory is pasture land, and there is considerable stock-raising carried on. Ostrich farming has also been introduced with success, and there is little doubt that the country will develop rapidly. On the coast lands, tropical fruits are grown in abundance, the forests are productive of rubber, fibres, bamboos, etc., and there is believed to be very considerable mineral wealth.

The administration of the Protectorate is carried on under the Colonial Office.

**Nairobi** is the capital, and the central station of the Uganda Railway. Its population is about 14,000, of whom less than 1,000 are Europeans.

**Mombasa**, built partly on an island, is situated on what is undoubtedly the finest harbour on the east coast of Africa. Its population is over 30,000, but only about 200 are Europeans. It is practically the only port of the country, and it is connected by steamship and telegraphic communication with Europe. From this town starts the Uganda Railway, which runs from Mombasa, through Nairobi to the Victoria Nyanza, a distance of nearly 600 miles.

The time of transit from England to Mombasa is twenty days.

(For map, see AFRICA, page 44.)

**EAST INDIES.**—This is a geographical term used to denote all those islands which extend from the south-east extremity of Asia to the north of Australia. The name of this collection of islands is often given as the Malay Archipelago. A glance at the map shows how they are situated entirely within the tropics. The climate generally is hot and moist, whilst the products are of a tropical character. The inhabitants are mainly of the Malay race, though there has been a great admixture of other races owing to immigration. Each of the principal islands is noted under a separate heading, or dealt with under the country to which it belongs.

**EAU DE COLOGNE.**—The well-known perfume which, if genuine, is still obtained from Cologne, where it was first made, in 1709, by an Italian named Johann Maria Farina. It is prepared from various essential oils obtained from trees of the orange tribe, together with certain alcoholic vegetable extracts and an addition of rectified spirits. So-called "Eau de Cologne" is now manufactured in Jersey and in various parts of Great Britain.

**EBONITE.**—A hard, black, horny substance, also known as vulcanite. It is a mixture of caoutchouc and sulphur, which is exposed to a high temperature, and is then pressed and polished. It is used for a variety of purposes, toys, combs, and stethoscopes being among the articles manufactured from it. (See CAOUTCHOUC.)

**EBONY.**—The heart wood of various trees of the order *Ebenaceæ*. It is noted for its hardness and heaviness, and is generally black in colour, though red and green ebony are found in Madagascar and Tobago respectively. The best black ebony comes from Mauritius, and is greatly valued by cabinet makers and pianoforte manufacturers. Small articles, such as door knobs, piano keys, and knife handles, are also made from it. Ceylon exports considerable quantities of black ebony.

**ECUADOR.**—The republic of Ecuador, so named because it lies under the equator, was constituted in 1830, when it separated from the original republic of Colombia. It is the most westerly State of South America, and is bounded on the north by Colombia, on the east by Brazil, on the south by Peru, and on the west by the Pacific Ocean. The total area is about 120,000 square miles, so that Ecuador is nearly the same size as the United Kingdom of Great Britain and Ireland. But its exact boundaries are not well fixed, disputes still existing between it and its northern and southern neighbours. The population is estimated at 1,500,000, and of these nearly two-thirds are of pure Indian descent.

**Relief.** The country is very elevated, and within its borders are the lofty Andean peaks of Chimborazo (21,500 ft.), Cotopaxi (19,600 ft.), Antisana



considers all questions relating to education, except the raising of a rate and the borrowing of money, and the council considers the report of this committee before taking action in educational questions. In some cases, the committee is even more important, for all or any of the powers of the council, except the raising of a rate or the borrowing of money, may be delegated to it. The composition of the committee varies in different localities, according to the scheme under which it was established, but it must, as to at least a majority of its members, be appointed by the council, and must include at least one woman. The council and its committee, as already stated, are the authority for all public elementary schools within its district. Such schools, however, are divisible into two classes—those which are provided by the local authority (the majority of them being schools formerly known as "Board schools") and those not so provided, which are termed non-provided or "voluntary" schools.

As to the first class, the local education authority have vested in them all the schools formerly Board schools, and are under a duty to provide from time to time such additional accommodation as in the opinion of the Board of Education is necessary to supply a sufficient amount of public school accommodation for their district.

In order to prevent the provision of unnecessary schools, it is provided that the authority must give public notice of their intention to provide a new school, and that the managers of any existing school or any ten ratepayers in the area for which it is proposed to provide the school may, within three months of the notice, appeal to the Board of Education on the ground that the proposed school is not required or that a school already in existence (whether provided or non-provided) is better suited to meet the wants of the district than the proposed new school, and any school built in contravention of the decision of the Board of Education is to be treated as unnecessary. The local authority are under an obligation to maintain and keep efficient all necessary provided schools within their area, and have complete control of them. Such control may be exercised through a body of managers, and must be so exercised if the county council are the local education authority. In that case, the body of managers is to consist of a number of managers not exceeding four appointed by the council, together with a number not exceeding two appointed by the minor local authority (i.e., the local borough or urban district council or parish council, or parish meeting). As to non-provided elementary schools, the local authority occupy a somewhat different position. They are under an obligation to maintain and keep efficient all such within their area as are necessary, so long as certain conditions and provisions are complied with, and are for this purpose to have control of all necessary expenditure, unless provision is to be made for it by the managers, and also to control secular instruction in such schools. Such conditions and provisions as above-mentioned are that the local authority shall control such instruction, and the employment and dismissal of teachers on educational grounds, that the local authority shall have power to inspect the school, that the managers shall provide the school-house free of charge and keep it in good repair (except as to fair wear and tear due to the use of any room for a public elementary school), and allow the local authority to use any room (out of school hours)

free of charge for educational purposes, this obligation not extending to more than three days in the week. The managers, above alluded to, of non-provided schools are composed of a number not exceeding four appointed under the school trust deed, together with a number not exceeding two appointed by the local education authority. Where such authority is a county council, only one manager is appointed by it, the other publicly appointed, one being appointed by the minor educational authority. If a local authority fail to fulfil any of their duties under the Education Acts, 1870-1902, the Act of 1902 provides that they may be compelled by mandamus (*q.v.*), while the Education (Local Authority Default) Act, 1904, provides that in the case of such default as respects any elementary school, the Board of Education may make orders to regularise any situation to which such default may give rise, and repay to the managers any expenses properly incurred by them in making good the default of the authority. Any sum so paid by the Board may be deducted from any parliamentary grants due to the authority.

**Fees in Elementary Schools.** The subject of fees is governed by the Act of 1891 and 1902. The obligation on a local authority to provide educational accommodation includes an obligation to provide a sufficient amount of accommodation without payment of fees, and as to provided (or "Board") schools, fees have ceased to be charged since the Elementary Education Act, 1891. This Act established a "fee grant" from the Treasury on a capitation basis, which could only be earned by either refraining entirely from charging fees, or, if fees were then charged in excess of the amount of grant, restricting the amount of them to the difference between the amount then yielded in fees and the amount of the grant. The Board of Education has power in certain cases to allow the imposition of fees, but only if sufficient free accommodation is provided and the fees for the excess are required by the educational needs of the locality, and fees in any case must not exceed 6d a week. As to non-provided schools, the same rules apply, and the local authority have power to determine whether fees shall or shall not be charged therein.

So long as fees continue to be charged, the authority must pay an agreed proportion of them to the managers.

**Religion.** Religious belief, instruction, and practice are dealt with in detail by the Acts. In the first place, the "Conscience Clause" affects both provided and non-provided schools, for it may not be required as a condition of any child being admitted into or continuing in any public elementary school that he shall attend or abstain from attending any Sunday school or place of worship, or that he shall attend any religious observance or instruction in religious subjects in school or elsewhere from which he may be withdrawn by his parents, or that he shall, if so withdrawn, attend the school on any day exclusively set apart for religious observance by the religious body to which his parent belongs. Religious instruction and observances are to be given or practised at the beginning or end of school, and the time thereof to be inserted in a time-table prominently and conspicuously affixed in every schoolroom.

As to the character of religious instruction, the local authority are under no obligation to provide any religious instruction at all in a provided school, but if they do, they are restricted by the negative

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classes, due regard is to be had to the educational interests of these classes, that certain vested interests of individuals must be saved or compensated, that all teachers and officers are to be in the employ of the governing body (subject to certain conditions of dismissal), and detailed clauses for safeguarding the religious convictions of individuals similar to those previously mentioned with respect to elementary education.

**EDUCATION AUTHORITIES' MEETINGS.—**  
**Education Committees.** An education committee, which consists partly of members of the council which established the committee and partly of various other persons, may appoint its own chairman. Every scheme under the Education Act, 1902, must provide *inter alia* for the inclusion among the members of the education committee of persons of local educational experience and of women. The council by whom an education committee is established may make regulations as to the quorum, proceedings, and place of meeting of that committee, but subject to any such regulations, the committee itself may determine these matters. The proceedings shall not be invalidated by any vacancy among the members, or by any defect in the election, appointment or qualification of any member of the committee. Minutes of the proceedings of an education committee shall be kept in a book provided for that purpose, and a minute of those proceedings, signed at the same or next ensuing meeting by a person describing himself as or appearing to be chairman of the meeting of the committee at which the minute is signed shall be received in evidence without further proof. Until the contrary is proved, an education committee shall be deemed to have been duly constituted and to have power to deal with any matters referred to in its minutes. The chairman of the education committee at any meeting of the committee shall, in case of an equal division of votes, have a second or casting vote. An education committee may, subject to any directions of the council, appoint such and so many sub-committees, consisting either wholly or partly of members of the committee, as the committee thinks fit.

The procedure may be regulated by the council which has established the committee, either special standing orders being drawn up for the purpose, or the council's own standing orders adopted so far as appropriate. By way of illustration, some provisions have been extracted, as follows, from the standing orders made in connection with their education scheme by the council of a very large county borough in the South of England. The town clerk shall convene the first meeting of the committee within fourteen days after their appointment, by notice posted to each member at least three clear days before such meeting. Three clear days at least before any meeting of the committee a summons to attend same, specifying the business to be transacted, and having at the foot the name of the clerk to the committee, shall be posted or delivered to every member of the committee at his usual place of abode or business and no business other than that named in the summons shall be transacted at any meeting of the committee. At their first meeting and annually afterwards the committee shall appoint a chairman and a vice-chairman. The chairman must always be a member of the council. Every question at committee and sub-committee meetings shall be decided by a majority of votes of the members present and voting on that question the chairman having, if the voting is equal, a second or

casting vote. The quorum of the committee shall be nine (*Note* The committee in this case consists of thirty-one members.) The public shall be admitted to the meetings of the committee, and allowed to remain during the pleasure of the committee. The standing orders of the council regulating council meetings shall govern the conduct of business at all public meetings of the committee. The committee shall appoint a finance sub-committee and such other sub-committees as it may think requisite. The chairman of the finance sub-committee shall always be a member of the council. Persons not members of the committee may be appointed on any sub-committee except the finance committee, provided always that not less than two-thirds of the total number are members of the committee. The chairman and vice-chairman of the committee shall be *ex-officio* members of all sub-committees. The quorum of sub-committees shall be at least one-third of their number. Every sub-committee shall at its first meeting first elect a chairman who shall be a member of the education committee, and in his absence from any meeting a chairman *pro tempore* may be appointed. All resolutions, minutes, and reports of the various sub-committees shall be entered in books kept for that purpose, and be signed by the respective chairmen in the presence of the quorum, such books to be open for the inspection of any member of the committee at the clerk's office during business hours. The committee shall, subject to the approval of the council, appoint a clerk to the committee, and he shall hold office during the pleasure of the council.

**Managers.** A body of managers may choose their chairman, except in cases where there is an *ex-officio* chairman, as, for instance, by the terms of a trust-deed. They shall hold a meeting once at least every three months. Any two managers may convene a meeting. A body of managers may regulate their quorum as they think fit, subject, in the case of the managers of a school provided by the local education authority, to any directions of that authority, provided that the quorum shall not be less than three, or one-third of the whole number of managers, whichever is the greater. Every question at a meeting of a body of managers shall be determined by a majority of the votes of the managers present and voting on the question, and in case of an equal division of votes, the chairman of the meeting shall have a second or casting vote. The proceedings shall not be invalidated by any vacancy in the body of managers, or by any defect in the election, appointment or qualification of any manager. The body of managers of a school provided by the local education authority shall deal with such matters relating to the management of the school, and subject to such conditions and restrictions as the local education authority determine. A manager of a school not provided by the local education authority, appointed by that authority or by the minor local authority, shall be removable by the authority by whom he is appointed, and any such manager may resign his office. The minutes of the proceedings of every body of managers shall be kept in a book specially provided, and such minutes shall be received in evidence without further proof when signed at the same or the next ensuing meeting by the apparent chairman. These minutes shall be open to inspection by the local education authority. Until the contrary is proved, a body of managers shall be deemed to be duly constituted and to have power to deal with

It is easy to see that the full supply of water from a normal rise of the Nile is necessary for the cultivated area. The British have improved the works at the head of the delta, which control the level of the river. At Assuan (Aswan), at Assiut, and below Cairo, great dams regulate the waters, and irrigation is assured at all seasons. Towards the end of the Nile flood the sluices are shut down, and when the next flood rises they are gradually opened. Water is drawn off from the dams by deep canals, and is distributed to the lower network of irrigation canals. The basin system of irrigation is practised in Upper Egypt. The land on both sides of the Nile, when it is slightly above the level of the valley, is divided into basins or compartments. These basins are connected by shallow canals, which thus admit the flood waters of the Nile from basin to basin. Improved arrangements have been made under British superintendence, enabling the water in the basins belonging to a group in one part of the Nile Valley to be supplemented in times of low flood by connecting canals from the next higher group. Perennial irrigation is effected by the network of canals tapping the Nile in Lower Egypt, and by the Ibrahimiye Canal in Middle Egypt. The Fayum depression lying to the south-west of the delta is also irrigated by channels from the Nile, notably by the Bahr Yasuf. Irrigation by hand or animal power is still resorted to in many parts of Upper Egypt.

**Production and Industries.** *Agriculture* is the mainstay of the people. A large proportion of the agricultural population (Fellahin) are small land-holders, their industry is proverbial, and though their methods may seem primitive, they are suited to irrigation and the climate. The Egyptian agricultural year includes three crop seasons. In winter, during the month of November, cereals of all kinds (especially wheat and barley) are sown, and are harvested in May and June. The chief summer crops, sown in March and harvested in October and November, are sugar, cotton, and rice. Autumn crops are sown in July and gathered in September and October, they include maize, rice, millet, and vegetables. The cultivated land is at its maximum in winter. Where perennial irrigation is possible, the chief crops are cotton, rice, maize, wheat, barley, clover, pulse, melons, cucumbers, onions, and the sugar-cane. Two or three crops are secured annually on land perennially irrigated. Lands irrigated by the Nile floods are under millet, and, if low-lying, are drained after flood time, and sown with wheat, beans, or clover. Under basin irrigation, cereals and vegetables are the chief agricultural products. The growth of the population of Egypt, since agriculture has become more assured, has been remarkable. Two oases west of the Nile—Siwah and Khargeh—are noted for their dates. It should be noted that, with its fertile valley soil, high temperatures, and improved irrigation facilities, Egyptian agriculture has excellent prospects of advancement.

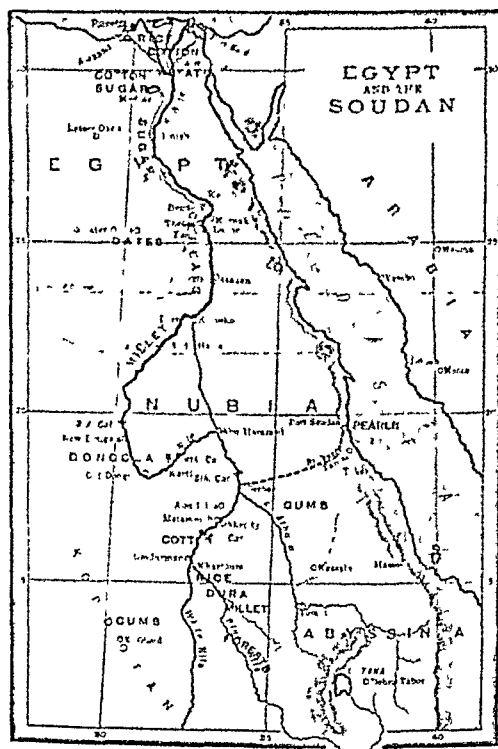
**Mining** is in its infancy. Gold, copper, phosphates, nitrates, coal, and oil have been found.

**The Pastoral Industry** of the Beja nomads and warriors of the deserts is of small importance.

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**Communications.** Egypt was important in past times as a transit land in the lucrative caravan trade between the shores of the Mediterranean Sea and the Indian Ocean. Civilisation advancing westwards robbed it of its old importance, but much has been regained by the construction of the Suez Canal.

The Nile is useful as a waterway, from Assuan there is an unbroken water route to the Mediterranean, and boats with high lateen sails and river steamers carry on traffic. Navigable canals—the Mahmudieh and the Zagazig—make navigation easier on the delta aras. The ancient trade route by the Nile Valley into eastern equatorial Africa is now partly followed by a railway proceeding from Alexandria through Cairo to Assuan. Unfortunately, the railways are on two gauges—from Luxor to Assuan 3 ft 6 in. gauge, and below Luxor 4 ft 8½ in. gauge. In 1882 the Egyptians rebelled against their Turkish Khedive, and Britain intervened largely on account of possible danger to the Suez route. The Suez Canal lies entirely in Egyptian territory, and was completed in 1869. It runs from



Port Said on the Mediterranean to Suez on the Red Sea, passing through Lake Menzaleh, Lake Timsah, and the Bitter Lakes. It is about 100 miles long, and vessels drawing 28 ft of water can pass freely along it. To British eastern shipping it is of prime importance. The caravan route to Damascus crosses the canal by means of a floating bridge.

**Commerce.** The chief exports of Egypt are cotton, and cotton-seed, wheat, beans, sugar, maize, rice, tobacco, and ostrich feathers, gums, and ivory, which are brought from Equatorial Africa by caravan and river. The chief imports are textiles, coal, hardware, and machinery. Most trade is with the United Kingdom. The following countries also carry on important trade with Egypt: Germany, Austria-Hungary, Turkey, France, and Italy. Alexandria, Port Said, and the minor ports of Damietta and Rosetta are the chief outlets.

**Trade Centres.** Cairo (600,000) and Alexandria (320,000) are the largest towns. There are eight other towns with populations exceeding 25,000.

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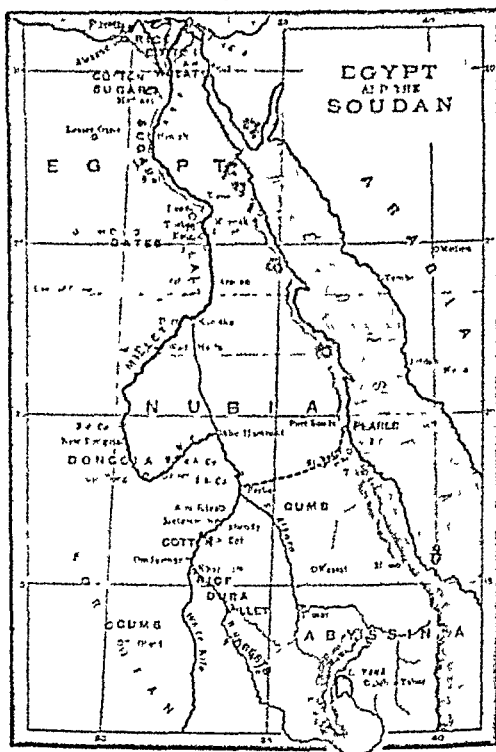
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drawings of the proposed works, and such works must be carried out to the reasonable satisfaction of the owners.

Any local authority, company, or body of persons, whose duty it is to repair a street, or work any railway, or tramway, may, if they choose, undertake the duties of breaking the ground on such property for the purpose of laying electric lines, which, in the pursuance of their powers, the undertakers ought to do, but notice must be served on the undertakers, and the costs of the work done are matter of adjustment. Power is given to the undertakers to alter the position of any pipes or wires under any street. When lines for electric current are to be laid near to any sewer, defence work, or gas, or water main, notice must be given to the owners of the respective works, of what is proposed to be done. The officers of such owners have the right to be present and to superintend the work to be done. Every reasonable precaution must be taken against injury to any wire or line used for telegraphic, telephonic, or electric signalling.

Within a period of two years after the commencement of the Special Order, sufficient distributing mains must be laid down and maintained. Where the undertakers propose to fix a private wire to the premises of a private consumer, they must first serve notice on the local authority and on the adjoining owners. Six or more owners or occupiers in a street may make a requisition, in writing, requiring the undertakers to lay down distributing mains for a general supply. Occupiers and owners within 50 yards of a distributing main may require the undertakers to supply them with such electric energy as they desire, but the undertakers must be satisfied that the electric fittings of the party to be supplied are reasonably fit for their purpose. If the undertakers fail to supply energy to any owner, they must pay a penalty of 40s. for each day on which the default occurs.

The undertakers may charge for energy (1) by the actual amount supplied, (2) by the electrical quantity contained in the supply, (3) by any other method approved by the Board of Trade. The maximum prices to be charged must not exceed those stated in the Special Order, or otherwise approved by the Board of Trade. The Board of Trade appoints competent and impartial persons to be electric inspectors, whose duties are: To test the lines, works, meters, and to perform such other duties as may be required of them. The electric inspector may also test the instruments used in the testing stations of the undertakers. Every meter in use must be a certified meter, and it must be so certified by the skilled inspector of the Board of Trade. Every consumer must keep such meters as are his personal property in proper repair, or the supply of energy may be cut off.

**ELEGIT.**—The name of a writ issued by a judgment creditor after a judgment has been pronounced, ordering the sheriff to place the creditor in possession of the whole of the lands of the debtor, which are to be held by him until such time as the judgment has been satisfied. It was at one time possible for the sheriff to seize the goods of the debtor as well as his lands, but since the passing of the Bankruptcy Act, 1883, a writ of *elegit* no longer extends to anything else than lands of the debtor. No judgment in any way affects land, so as to form a charge upon it, until it has been actually taken in execution by the sheriff.

The writ of *elegit* is of great antiquity, but it is

now seldom met with, as it rarely happens that a judgment debtor who cannot satisfy his debt in another way is possessed of uncharged land.

The writ cannot issue against the property of a person who has already paid a charge upon it, e.g., a mortgage.

**ELMI.**—The name given to certain gum resins obtained from various trees of the myrrh order, of which the principal growth is in Elmi, when pure, is practically colourless and transparent. Owing to its aromatic odour, it is used in the manufacture of incense. It is employed to toughen varnishes, and is used in making ointments and plasters.

**ELM.**—(See FOREIGN WEIGHTS AND MEASURES—GERMANY.)

**ELM.**—A genus of trees of which several species are found in the various temperate zones. Elms belong to the natural order *Ulmaceae*. The common English elm is noted for its great durability, and strength, the Cornish elm is particularly valuable. As it remains unaltered by water and is not liable to split, elm wood is used in shipbuilding.

**EMBARGO.**—Embargo is a temporary prohibition from the Admiralty to prevent the departure of ships. It may apply to all ships, or to specified goods only, it may be general or special; it may apply to the entering of the port, or to the departure only, or to both entering and departure of ships from particular ports. It does not put an end to any subsisting contract relating to the ships affected, but it is a temporary suspension of such contract. It is the power of the British Sovereign to lay an embargo on even British ships; but a prohibition to lay an embargo in time of peace, e.g., vessels laden with wheat in a period of scarcity, has been deemed contrary to the laws of commerce, particularly to 22 Chas. II. c. 13. In modern times embargoes in anticipation of war have fallen into disuse.

**EMBEZZLEMENT.**—This is an offence which is unfortunately, only too frequently met with in the commercial world. It is the appropriation of the property of another person, whether servant or employee or property received on behalf of his employer. To constitute the offence it is necessary to prove three things on the part of the person charged: (1) That the person charged is a servant of the prosecutor, (2) that he has appropriated the property on behalf of his employer, (3) that he wrongfully appropriated it to his own use. It may be distinguished from larceny by the fact that in embezzlement the property is taken money out of the till and actually appropriates the same, that is to say, the servant sells an article on behalf of his employer and puts the money paid for the same into his own pocket, without the knowledge of the customer. Having been in the till at all, it is not embezzlement but larceny. Embezzlement is a felony by statute, and on conviction, a prisoner may be sent to prison for a term up to fourteen years. It was necessary to distinguish between larceny, otherwise a person who had been indicted might have escaped. Now, if a person is indicted for larceny, and the offence turns out to be embezzlement, the indictment may follow as though the latter offence had been charged, and *vice versa*.

**EMBLEM.**—These are the annual results of the termination of a tenancy, the



every 15 clear superficial ft of deck allotted to them, or on the lower passenger deck more than one adult for every 18 such feet, but if the space between the latter deck and the deck above is less than 7 ft, or the apertures for light and air (exclusive of side scuttles) less than 3 sq ft to every 100 superficial ft of deck, not more than one adult can be carried for every 25 ft of the lower deck, and no more steerage passengers in the whole than one for every 5 superficial ft clear for exercise on the upper deck, poop, or round or deck house, and in that measurement the hospital space and space occupied by personal luggage of steerage passengers is included, if more than that number are carried, the owner is liable to a fine of £20 for every person taken in excess. Regulations are also made for the accommodation of steerage passengers, relating to the construction of passenger decks, berths, hospitals, privies, and supply of light and ventilation—infringement of which is punishable, in the case of master, charterer, or owner, unless the master only is liable, with a fine of £50. No part of the cargo or of the steerage passengers' luggage, or of the provisions, water, or stores, whether for the use of the steerage passengers or of the crew, must be carried on the upper deck or on the passenger decks, unless, in the opinion of the emigration officer at the port of clearance, the same is so placed as not to impede light or ventilation, or to interfere with the comfort of the steerage passengers, nor unless the same is stored and secured to the satisfaction of the emigration officer. The owner, charterer, or master, who is guilty of a breach of these provisions, is liable to a penalty of £300.

There must be placed on board every emigrant ship, for the steerage passengers, provisions and water of good and wholesome quality and in sweet and good condition, and in quantities sufficient to secure throughout the voyage the issues required by the Merchant Shipping Act, 1894. In addition to the allowance of pure water for each steerage passenger, water must be shipped for cooling purposes sufficient to supply 10 gallons for every day of the length of the voyage, for every 100 statute adults on board. There must also be shipped for the use of the crew and all other persons on board an ample amount of wholesome provisions and pure water, not inferior in quality to the provisions and water provided for the steerage passengers. The penalty for a breach of these regulations is a fine of £300. Before an emigrant ship is cleared outwards, the emigration officer must survey, or cause to be surveyed by some competent person, the provisions and water required to be placed on board for the steerage passengers, and must satisfy himself that the same are of good and wholesome quality, and in sweet and good condition, and in the quantities required by the Act. If they are found not to be in proper condition, the emigration officer may reject and mark the same, and direct them to be forthwith landed and emptied. If they are not landed or emptied, or if, after being landed, they are re-shipped in the same or some other emigrant ship, the person guilty of the offence is liable to a fine of £100.

The water to be placed on board emigrant ships must be carried in tanks or casks approved by the emigration officer, and the casks must be sweet and tight, of sufficient strength, and if of wood, properly charred inside, and the staves must not be made of fir, pine, or soft wood, and each cask must not be capable of containing more than 300 gallons. A person guilty of a breach of this regulation is liable

to a fine of £50. A smaller supply of water than that prescribed is only allowed if the ship is going to touch at intermediate ports for taking in water, and there is such a stipulation in the master's bonds, and the emigration officer gives a written approval which goes with the ship's papers during the voyage, and the ship must have on board at clearance sufficient means for storing the quantity of water required for the longest portion of the voyage from, or to, such intermediate port. The master must issue water and provisions to the steerage passengers, in accordance with a scale prescribed by the Board of Trade, under a penalty of £50. The master of every emigrant ship must, on request, produce to any steerage passenger, for his perusal, a copy of the scale of provisions to which that person is entitled, and must post up copies of the scale in at least two conspicuous places between the decks on which steerage passengers may be carried, and must keep them posted so long as any steerage passenger is entitled to remain in the ship. The master is liable, on summary conviction, to a fine of 40s for every day during which he is guilty of a breach of these regulations. A person who displaces or defaces any copy of the scale posted up is also liable to a fine of 40s.

The owner or charterer of every emigrant ship must provide for the use of the steerage passengers a supply of the following medical stores, viz Medicines, medical comforts, instruments, disinfectants, and other things proper and necessary for diseases and accidents incident to sea voyages, and for the medical treatment of the steerage passengers during the voyage, with written directions for the use of such medical stores. The medical stores must, in the judgment of the emigration officer at the port of clearance, be good in quality and sufficient in quantity for the probable exigencies of the intended voyage, and must be properly packed and placed under the charge of the medical practitioner, when there is one on board, to be used at his discretion. The master guilty of non-compliance with these provisions is liable to a fine of £50. An emigrant ship must not clear outwards, or proceed to sea, unless a medical practitioner, appointed by the emigration officer at the port of clearance, has inspected the medical stores, and certified that they are sufficient in quantity and quality, or unless the emigration officer, in case he cannot on any particular occasion obtain the attendance of a medical practitioner, gives written permission for the purpose. A master who is guilty of a breach of this regulation is liable to a fine of £100.

An emigrant ship must not clear outwards or proceed to sea if there is on board, (a) as cargo, any article which is an explosive within the meaning of the Explosives Act, 1875, or any vitriol, lucifer matches, guano, or green hides, or (b) either as cargo or ballast, any article or number of articles which, by reason of the nature, quantity, or mode of stowage thereof, are, either singly or collectively, in the opinion of the emigration officer at the port of clearance, likely to endanger the health or lives of the steerage passengers or the safety of the ship, or (c), as cargo, horses or cattle, or other animals, except they are carried under certain prescribed conditions. If these requirements are not complied with, the owner, charterer, or master of the ship is liable to a fine of £300. A Secretary of State may, by order under his hand, authorise the carriage as cargo in any emigrant ship (subject to such conditions and directions as may be specified in the order) of naval and military

Before an emigrant ship proceeds to sea, the master, together with the owner or charterer, or, in the event of the owner or charterer being absent, one other good and sufficient person approved by the chief officer of customs at the port of clearance, must enter into a joint and several bond, the form of which is statutory, or prescribed by the Board of Trade, of £2,000 to the Crown, which is executed in duplicate and is exempt from stamp duty; and if neither the owner nor charterer resides in the British Islands, the bond must be for £5,000, and must also contain an undertaking to pay to the Crown, as a Crown debt, all expenses of forwarding to their destination steerage passengers who, owing to shipwreck or any other cause, except their own negligence or default, do not reach their destination in the ship, the chief officer of customs gives a certificate of the execution of the bond on one part of it, and, if the ship clears for a British possession, sends that part of it to the Government of such possession, such certificate is evidence of the bond in the courts of that possession, such a bond is not available there till three months after the ship's arrival there, or in the British Islands till twelve months after the return of the ship and of the master to the British Islands. Such a bond may be continuing as respects any particular ship, and all voyages during its continuance are subject to the above provisions and the regulations made by the Board of Trade.

The master of every ship carrying steerage passengers on a voyage from the British Islands to any port out of Europe, and not within the Mediterranean Sea, or on a Colonial voyage, must, before demanding a clearance for his ship, sign in duplicate a passengers' list, correctly setting forth the names and other particulars of the ship and of every passenger, whether cabin or steerage on board. The passenger list must be countersigned by the emigration officer, if there is one at the port, and then delivered by the master to the officer of customs, who must countersign and return to the master one duplicate, and must retain the other duplicate. If these requirements are not complied with, or any passenger list is wilfully false, the master is liable to a fine of £100. If at any time after the passengers' list has been signed and delivered, any additional passenger (whether cabin or steerage) is taken on board, the master must add to his list, and also enter on a separate list signed by him the names and other particulars of every additional passenger. This separate list must be countersigned by the emigration officer, where there is one at the port, and must, together with the master's list to which the addition has been made, be delivered to the chief officer of customs at the port, who must thereupon countersign the master's list and return the same to the master, and retain the separate list, and so on, whenever any additional passenger is taken on board. If there is no officer of customs stationed at the port where an additional passenger is taken on board, the lists must be delivered to the officer of customs at the next port having such an officer at which the vessel arrives. When any additional passenger is taken on board, the master must, before the ship proceeds to sea, obtain a fresh certificate from the emigration officer that all requirements have been complied with. If the master fails to comply with the above requirements, he is liable to a fine of £50. If a person is found on board an emigrant ship with intent to obtain a passage therein without the consent of the owner, charterer, or master, he and any person aiding or abetting him

are liable to a fine of £20, and, in default of payment, to imprisonment not exceeding three months, with or without hard labour. Any person so found on board may, without warrant, be taken before a justice of the peace to be dealt with in a summary manner.

**Certificate for Clearance.** A ship intended for the carriage of steerage passengers as an emigrant ship must not proceed to sea until the master has obtained from the emigration officer at the port of clearance a certificate that all the above requirements of Part III of the Merchant Shipping Act, 1894, so far as the same can be complied with before the departure of the ship, have been duly complied with, and that the ship is, in his opinion, seaworthy and in all respects fit for her intended voyage, and that the steerage passengers and crew are in a fit state to proceed, and that the master's bond has been duly executed. An appeal is given, from a refusal to grant such certificate, to two other officers or other suitable persons appointed by the Board of Trade, who can jointly give a certificate of clearance. The master of every ship, whether emigrant ship or not, which is to carry steerage passengers from the British Islands to a port outside Europe, and not in the Mediterranean, or on a colonial voyage, must give facilities for her inspection, at any British port at which he arrives, to the emigration officer there, and in the case of a British ship to the consul at any port elsewhere, under a penalty of £50. If any emigrant ship, after clearance, is detained in port more than seven days, or puts into or touches at any port in the British Islands, she must not proceed to sea again until—(a) there has been laden on board such further supply of pure water, wholesome provisions of the requisite kinds and qualities, and medical stores as is necessary to make up the full quantities of those articles required; and (b) any damage which the ship has sustained has been effectually repaired, and (c) the master has obtained another certificate of clearance. The master is liable to a fine of £100 if he is guilty of a breach of these regulations.

If any emigrant ship, after clearance, puts into or touches at any port in the British Islands, the master must, within twelve hours, report in writing his arrival, and the cause of his putting back, and the condition of his ship and her provisions, etc., to the emigration officer at the port, and must produce the master's list of passengers, under a penalty of £20. If the owner of an emigrant ship is aggrieved by the refusal of an emigration officer of a certificate for clearance, he may appeal to a court of survey for the port or district where the ship for the time being is. Where a survey of a ship is made for the purpose of a certificate for clearance, the person so appointed to make the survey must, if so required by the owner, be accompanied on the survey by some person appointed by the owner, and in such case, if the two persons agree, there is no appeal to the Court of Survey. If any emigrant ship—(a) proceeds to sea without the master having obtained the certificate of clearance, or (b) having proceeded to sea, puts into any port in the British Islands in a damaged state, and attempts to leave that port, with steerage passengers on board, without the master having obtained the proper certificate of clearance, the ship is to be forfeited to the Crown, and may be seized by any officer of customs if found within two years from the commission of the offence in any port in His Majesty's dominions. The Board of Trade may release, if they think fit, any such

If any passenger, whether a cabin or a steerage passenger, from any ship which is carrying any steerage passenger on a voyage from any part of His Majesty's dominions, finds himself, without any fault of his own, at any port outside the British Islands other than the port for which the ship was originally bound, the governor in a British possession and the consular officer elsewhere may forward the passenger to his intended destination, unless the master, within forty-eight hours of the arrival of the passenger, gives a written undertaking to forward, within six weeks, the passenger to his original destination. A passenger so forwarded by a governor or British consular officer is not entitled to the return of his passage money, or to any compensation for loss of passage. All expenses incurred by the authority of a Secretary of State, or governor, in respect of a wrecked passenger, or of forwarding of a passenger to his destination, including the cost of maintenance until forwarded, are a debt due to the Crown from the owner, charterer, or master. The sum recovered must not exceed twice the total amount of passage money received by the ship in respect of the whole number of passengers, whether cabin or steerage, who embarked in the ship. Any steerage passage or compensation money may be insured by a person liable to incur any such risk.

**Voyages to the United Kingdom.** The master of every ship bringing steerage passengers to the British Islands from any port out of Europe and not within the Mediterranean Sea, must, within twenty-four hours after arrival, deliver to the emigration officer a correct list, signed by the master, and specifying the name, age, and calling of every steerage passenger embarked, and the port at which he embarked, and showing also any birth which has occurred amongst the steerage passengers, and, if any steerage passenger has died, his name and the supposed cause of his death. For failure to comply with this regulation, the master is liable to a fine of £50, and if there are more steerage passengers on board than allowed by the Merchant Shipping Act for such a voyage, the master is liable to a fine of £10 for each statute adult constituting such excess. The master must also issue to steerage passengers proper provisions and water, in the same quantities as those required in the case of emigrant ships sailing from the British Islands, under a penalty of £50. Where a ship which is not a British ship carries passengers, whether cabin or steerage, to or from any port in the United Kingdom, as the port of destination or the port of departure of such ship, the provisions with respect to registration of births and deaths occurring on board apply as if it were a British ship.

#### EMPLOYERS AND WORKMEN, DISPUTES

**BETWEEN.**—An Act for amending the law relating to conspiracy, and to the protection of property, was passed in 1875. This Act was amended in an important particular by the Trade Disputes Act, 1906. The amendment of the law was brought about owing to an important ruling in the celebrated Taff Vale case, which will be presently referred to. If two or more persons combine to do any act in connection with a trade dispute between employers and workmen, such act will not be held to be a conspiracy, if it was not a crime when committed by one person only. Conspiracy, in law, is a combination or agreement between several persons to carry into effect a purpose hurtful to some individual, or to a particular class, or to the general public. At one time it was a crime, made so by

statute, to raise the price of wages, if the doing of it was accomplished by several persons conspiring together for the purpose.

It is still an offence for any person to do a thing, in connection with a trade dispute, which will be hurtful to the community, *e.g.*, if a person who is employed by a municipal authority, or by any company or contractor which supplies any place with gas or water, wilfully breaks his contract of service, and if such person knows that by ceasing to do his work, he will deprive the public of their accustomed supply of gas or water, such person will be liable to pay a fine of £20, or to suffer three months' imprisonment. There must be posted up in every gasworks and waterworks a copy of the section of the Act of Parliament to the above effect, so that every workman or employed person may read it. If any person wilfully breaks his contract of service, well knowing that such an act will be dangerous to the public, he will be punished as above described. This provision is to prevent the malicious flooding of mines and such like property. The statute aims at preventing danger to human life, serious bodily harm, or the exposing of valuable property to injury or destruction.

No person is permitted to compel another to abstain from doing what he has a legal right to do. It is, therefore, an offence punishable, as already described, to do any of the following things: To use violence towards another, or to intimidate him, or his wife, or children; persistently to follow another person about from place to place, to hide the tools, clothes, or property of another, to watch the house or place where the workman is, or to follow another with two or more assisting, in a disorderly manner, along any street or road. It is not an offence, however, to attend at or near the place where the person lives or works, merely for the purpose of obtaining or communicating information.

If any party is convicted under this Act by a court of summary jurisdiction (a stipendiary magistrate, or two or more justices of the peace), he may appeal to quarter sessions, and his wife and children may be witnesses in all cases. The Act does not apply to seamen or to apprentices to the sea service, but, with this exception, it applies to all workmen and their employers in England, Wales, Scotland, and Ireland.

The case which was decided by the House of Lords in 1901 was the Taff Vale Railway Company and the Amalgamated Society of Railway Servants. It was this judgment which caused a change to be made in the law as to trade disputes. A brief summary of the case is as follows: Mr. Bell and Mr. Holmes were secretaries of the Amalgamated Society of Railway Servants. These officials took part in a strike, which was started by the servants of the Taff Vale Railway Company. The railway company then brought an action against the Amalgamated Society of Railway Servants, and Mr. Justice Farwell granted an injunction against the society, the same as had been previously granted against Bell and Holmes, "restraining the society, their servants, agents, and others acting by their authority, from watching, or besetting, or causing to be watched or beset, the Great Western Railway station at Cardiff, or the works of the plaintiffs, or any of them, or the approaches thereto, or the places of residence, or any place where they might happen to be, of any workman employed or proposing to work for the plaintiffs (the railway

"3 The amount of compensation recoverable under this Act shall not exceed such sum as may be found to be equivalent to the estimated earnings, during the three years preceding the injury, of a person in the same grade employed during those years in the like employment and in the district in which the workman is employed at the time of the injury

"4 An action for the recovery under this Act of compensation for an injury shall not be maintainable unless notice that injury has been sustained is given within six weeks, and the action is commenced within six months from the occurrence of the accident causing the injury, or, in case of death, within twelve months from the time of death. provided always, that in the case of death, the want of such notice shall be no bar to the maintenance of such action if the judge shall be of opinion that there was reasonable excuse for such want of notice

"5 There shall be deducted from any compensation awarded to any workman, or representatives of a workman or persons claiming by, under, or through a workman in respect of any cause of action arising under this Act, any penalty or part of a penalty which may have been paid in pursuance of any other Act of Parliament to such workman, representatives, or persons in respect of the same cause of action, and where an action has been brought under this Act by any workman, or the representatives of any workman, or any persons claiming by, under, or through such workman, for compensation in respect of any cause of action arising under this Act, and payment has not previously been made of any penalty or part of a penalty under any other Act of Parliament in respect of the same cause of action, such workman, representatives, or person shall not be entitled thereafter to receive any penalty or part of a penalty under any other Act of Parliament in respect of the same cause of action"

The action is tried, either with or without a jury, in the county court, but there is a right of appeal to a divisional court, under certain circumstances, and a case may go afterwards, with leave, to the Court of Appeal, or even to the House of Lords. In Scotland, a case under the Act is heard in the Sheriff's Court, and in Ireland in the Civil Bill Court

The Employers' Liability Act falls far short of the Workmen's Compensation Act, 1906, and cases under it are becoming fewer and fewer. In point of fact, there are many technical difficulties connected with the Act which require the most careful consideration, and unless the case is very clear it is not at all advisable to choose this method of procedure. But if it is chosen and fails, the injured workman is not necessarily deprived of some recompense, for if it is shown that he is entitled to compensation under the Workmen's Compensation Act, he may be awarded the same, though from the benefits accorded to him the expenses thrown away by the irregular process will be deducted

(See the question of liability discussed under WORKMEN'S COMPENSATION)

**EMPORIUM.**—Places or receptacles in which wholesale merchants are accustomed to stow away their goods. Formerly applicable almost exclusively to establishments in staple towns, the word

gradually came to mean also the places of a similar kind in inland towns, and now it is often applied to a town itself which has a special trade in any particular kind of goods. The word is derived from the Greek, *emporion*, a trading place

**ENDIVE.**—A plant of the same order as chicory. It is found wild in Britain, but requires special attention when grown for a salad

**ENDORSE.**—(See **INDORSE**)

**ENDORSEMENT.**—(See **INDORSEMENT**)

**ENDOWMENT.**—When a sum of money is devoted or applied to a particular purpose, or when a fund is raised to provide for the maintenance of a charitable or other similar kind of institution, the money is called an endowment, and it is upon the interest derived from the investment of the endowment that the purpose is carried out or the institution maintained. In addition, the word has come to signify a fixed sum of money, payable at the end of a certain number of years, in the event of a person surviving the given time

Life assurance companies are now very favourably disposed towards what are called endowment policies. The premiums are only payable for a fixed number of years, if the assured lives for so long; whilst the amount for which the insurance is effected is payable at the end of a fixed number of years, or at death, whichever happens first

**ENDOWMENT POLICY.**—(See **ENDOWMENT**)

**ENFACED PAPER.**—The name given to the promissory notes of the Indian Government, bearing an announcement that the interest payable upon them can be collected by presenting the notes at the Bank of England. In the market these notes are generally known as "rupee paper." The interest is paid by drafts payable in India, but these are always readily bought at the current rate of exchange by money dealers and others, and are sold to persons who are desirous of sending out money to India

**ENFRANCHISEMENT.**—The name which is applied to the methods by which copyhold land is freed from all its incidents and converted into a freehold estate

Under the Copyhold Act of 1894 the lord of the manor or the tenant of copyhold land may, under certain provisions as to compensation, require it to be enfranchised. By enfranchisement the land is freed from all duties to the lord of the manor, and the owner henceforth holds it as freehold land. If the lord makes a legal conveyance in fee simple to the copyholder, the copyhold is extinguished

By the Conveyancing Act of 1881 (Sec. 3, s s 2)—

"Where land of copyhold or customary tenure has been converted into freehold by enfranchisement, then, under a contract to sell and convey the freehold, the purchaser shall not have the right to call for the title to make the enfranchisement"

**ENGLAND (ENGLAND AND WALES).**—Position, Area, and Population. England and Wales occupy the southern and larger portion of the continental island of Great Britain, which is situated on the Atlantic border of Northern Europe. Great Britain is, in reality, a high part of the partially submerged north-western portion of Europe. The surrounding seas for many miles from the coasts are shallow, the bottom gradually sinking to a depth of about 600 ft (100 fathoms), beyond which there is usually an abrupt fall to depths of 6,000 ft (1,000 fathoms) and over. The shallow area on which the island

steep-sided river-valleys in the south-west has led to the formation of the fine harbours of Plymouth and Falmouth, whose economic utility is greatly lessened by the unproductive land behind them. It is interesting to note that the great back-to-back estuaries (the Mersey-Humber and the Severn-Thames) ensure no interior point being more than 70 miles from the sea. Some changes in the coast worthy of mention are—The destruction of parts of the eastern coast by the sea, the gradual silting of the Wash by the deposition of the alluvium carried by its rivers and by deposited rock particles brought by tidal currents from the Yorkshire cliffs, the remarkable accumulation of shingle at Dungeness, much of which has accumulated since Roman times, the so-called Isle of Thanet, once separated from the mainland by a navigable channel, now silted up by the material deposited by the Stour; and the silting up of the Dee and the Solway Firth.

**Build.** North-west of a line drawn from the Exe to Whitby lie the true mountainous regions of England and Wales, and the mountains of old formations. In the extreme north the Cheviot Hills, composed mainly of volcanic rocks and granite, are separated from the Pennine Range by the Tyne Gap, which connects the Solway Plain with the coastal plain of Northumberland and Durham and affords easy communication between Newcastle and Carlisle. Southward from the Tyne Gap to the Peak District in Derbyshire, a distance of about 120 miles, stretches the Pennine Moorland Range or Pennine Axis (often called "the backbone of England"), consisting of three series of strata—first and lowest, the Mountain Limestone, second, the later deposited Millstone Grit, and third, the more recent series of clays and flagstones, with seams of coal in places which are known as the

Roman Wall extends; and the Aire Gap utilised by the Midland Railway), and by the trans-Pennine railway routes (Littleborough (1½ miles), Standedge (3 miles), Woodhead (3 miles), and Cowburn tunnels (2 miles)); it provides ample water for drinking and dyeing purposes for many industrial towns, and its karst type of scenery and mineral springs in Derbyshire has caused the growth of such inland resorts as Buxton and Matlock.

Along the north-west of the Pennine Range a great fracture or fault has resulted in a steep fall to the Eden Valley, with its preserved soft rocks, beyond which rise the volcanic mountains of the Lake District (the lofty Cumbrian Group). The Cumbrian mountain mass is somewhat dom-shaped, and from its main east and west axis radiate glaciated and river-cut valleys, whose upper ends are filled by lovely lakes (Windermere, Ulleswater, Bassenthwaite Lake, and Wastwater). The rocks are of older formation than the Cheviots, and consist of great masses of slates (Skiddaw slate and Borrowdale slate). Three peaks rise to heights of over 3,000 ft—Scafell (3,210 ft), the highest mountain in England, Helvellyn (3,118 ft), and Skiddaw (3,058 ft). The depression of Shap Fell (1,000 ft) connects the Cumbrian and Pennine Mountains, and forms part of the "West Coast Route" to Scotland. Bold mountains, beautiful lakes, and the association of the region with the Lake poets make the Lake District a favourite holiday resort. Its economic utility lies in its suitability to the pastoral industry, the supplying of water to large industrial towns (Thirlmere to Manchester), the mining of lead and zinc, and the quarrying of slate.

Wales is essentially a dissected plateau, composed of hard rocks, mostly of the same age as the

the Nore, which artificially marks the seaward end of the Thames), the ease of communication inland, and the convenient position for commerce, account largely for the rise of London and its outports. On the west, the Severn (240 miles) is remarkable for its very high tides, its rapidity, its wide estuary, and the meanderings in its course. It rises in Plynlimmon in North Wales, and after a course of 35 miles, emerges on the Plain of Shropshire. Near Coalbrookdale it passes through a narrow gorge and enters the Worcester Plain, finally broadening out into the Bristol Channel. Among its tributaries the Wye is noted for its scenery (limestone gorges); the Warwickshire Avon for its character as a subsequent river, and the Bristol Avon for its deep and narrow gorge across the dolite ridge and the gorge at Clifton through the limestone rim of the Bristol coalfield. The Severn is navigable for barges up to Welshpool, and by the aid of the Ship Canal from Sharpness to Berkeley large vessels can reach the bridge-port of Gloucester. The rivers Swale, Ure, Nidd, Wharfe, Aire, Calder, Don, and Derwent, spreading out in fan-like form, are intercepted by the Yorkshire Ouse, and carried southward in a channel parallel to the Jurassic and Cretaceous Escarpments of Yorkshire. Together, the Ouse and the longer Trent form the Humber estuary. Throughout its length, the Ouse is navigable for barges, and canals connect it and its tributaries with the Lancashire rivers, making complete water communication between the east and west. The Mersey flows from the Pennine Range into a bottle-shaped estuary, receiving on its way the Irwell and the Weaver. Its position facing America, and the great docks at Liverpool make it one of the most important shipping rivers of the world.

Other rivers of commercial importance are the Tyne, Wear and Tees, flowing through rich mineral regions, and the subsequent Trent providing communication with the Midlands. The Dee and the rivers of the Wash are now chiefly of historic interest, the amount of silt deposited at their mouths, and the lack of great populations in their drainage areas have led to their decline. All the southern rivers and the purely Welsh rivers are short, and flow, as a rule, through comparatively sparsely populated regions.

**Climate.** The British climate is more equable than the climates of countries in the same latitudes on the European mainland. No great extremes of temperature occur, no areas lack sufficient moisture for ordinary agricultural pursuits, but everywhere the oceanic climate encourages industry, and promotes a virile race. To its climate, though often condemned for its humidity and variability, Britain owes much of its prosperity in industry and commerce. The peninsula lies in the track of the moist westerly Atlantic winds, which, meeting mountain barriers on the west, are deflected upwards. The consequent expansion of the air results in cooling, which leads to the deposition of a heavier rainfall on the western area than on the eastern, where compression, in descending, increases the vapour-holding capacity of the air. Dryness to leeward of mountains has been termed their rain-shadow, and, notwithstanding the low elevation of Britain's uplands, and the fact that much of the rainfall is due to cyclonic influence, rain-shadows to eastward and north-eastward of the western mountain masses are clearly evident. Anti-cyclones, tending to produce drought, are not uncommon in the east, either in summer or winter, and hence there is a double

reason why the east of the country is drier than the west. In the Lake District the annual rainfall ranges from 60 to 80 in., in Wales from 40 to 80 in., in Cornwall and Devon from 40 to 60 in.; and in Lancashire from 30 to 40 in. Over most of the English Plain the annual rainfall averages 25 to 30 in., though an area round the Wash and a part of Essex receive a fall of 20 to 25 in. only. The rainfall is well distributed throughout the year, but the maximum occurs in autumn and winter. Oceanic effects are remarkably exhibited in the temperature conditions of summer and winter. Summer isotherms run in a roughly east and west direction, but there are marked irregularities. Near the sea they tend to bend southwards, while inland the tendency is northwards. Water has a greater specific heat than land, and thus exercises a cooling effect in summer and a heating effect in winter. In winter the isotherms run north and south, latitude having little influence. Winter warmth is not due directly to the sun's rays, but to the winds coming from more southerly latitudes over a relatively warm ocean, and the rain warmth (latent heat) set free by the deposition of frequent rains. The western areas have the more equable temperatures (extreme West: January—44° F., July—61° F., extreme East: January—38° F., July—62° F.), the eastern areas experiencing more continental characteristics. Drier air, warmer summers, and suitability of soils make the eastern region agricultural, while the wetter west is pastoral.

**Soils.** Many types of soil occur in England and Wales, some of which are remarkable for their fertility, but the pressure of population on the means of subsistence necessitates great skill and care in agriculture, and intensive scientific farming is highly developed. If the country depended mainly on agriculture, the mountainous western tracts and the chalk hills and downs, with their poor soils, would tend to keep down the average density of population (7 per cent. of the area of England and 28 per cent. of Wales are classed as "Mountain and Heath"). Excellent soils for the dairying industry are the New Red Sandstone of Cheshire, the Old Red Sandstone of Hereford, the Lias Clay, and the river alluvium and New Red of Devonshire. The southern portion of the Eastern Plain contains soils of unusual fertility, owing to the intermixed limestone, sand, and clay, the clayey loam thus formed is very favourable to wheat production. For fruit production the Old Red Sandstone of Hereford and the Wealden clays and sands give excellent results. Soils overlying the glacial deposits in East Anglia are usually very fertile, the sandy loams of Norfolk giving high yields of barley. The Plain of York, crossed by great moraines, has glacial deposits and alluvium covering the New Red Sandstone, and is a rich agricultural district. Other good soils are the alluvium of the meanders of the Trent, the drained alluvium of the Fen district, the dolite valley soils, the sands and clays of the centre of England, and the loamy soils of the London Basin. Poor soils used for pastoral purposes are the thin soils of the dolite ridges, the igneous soils of the western mountains, the dry chalk and limestone soils of the uplands, and the soils of the greater part of Wales.

**Productions and Industries.** The growth and character of English industries and commerce from the period known as the Middle Ages, to the present time, provide an interesting study. In mediæval times, England occupied a lowly place in commerce in comparison with the trade of the Hansa merchants



produced. The supplying of milk to the urban areas is of prime importance, and is carefully regulated. Among famous breeds of cattle are the Shorthorns, noted for their beef and milk, the Longhorns of the Midlands, the East Anglian polled, the Devon, and the Jersey, for their milk; and the long-horned Welsh and Hereford for their beef. Sheep, so important to England in mediæval times, are still found in large numbers on the uplands, and are more common on the drier east than the wetter west. On the steep hillsides of the west they are reared for their mutton, whereas those on the eastern uplands are bred for both wool and flesh. Famous breeds of sheep are the long-woolled Romney Marsh, Lincoln, and Leicester, the short-woolled South Down, Dorset, Wiltshire, Hereford, and Shropshire, and the thick woolled Cheviot and black-faced Welsh. Welsh, Dartmoor, and Exmoor mutton is of excellent quality. Horses are reared mainly in the drier parts, notably on the carboniferous limestone of Yorkshire. The Fen district is noted for Shire horses, Norfolk, Cambridge, Huntingdon, Lincoln, and Yorkshire for hackneys, Suffolk for its cart-horses, Yorkshire for its carriage horses, and Wales, Dartmoor, Exmoor, and the New Forest for hardy ponies. Pigs are found on most farms, but most are reared in the eastern and northern counties. The chief breeds are the Large, Middle, and Small White, the Small Black of Suffolk and Essex, the Black Berkshire, and the Red Tamworth. It should be noted that England has 16,000,000 sheep and 5,000,000 cattle (approximately), while Wales has 3,600,000 sheep and 900,000 cattle (approximately), that only a very small percentage of the land area is not of some economic utility (agricultural, pastoral, mining, or forest); that rotation grasses and root crops are of great aid in the winter feeding of cattle, that breeding is on a scientific basis, and that the dairying industry is becoming more organised.

**Forestry.** It is difficult to imagine that in primitive times Britain was almost continuously clothed with forest. Only 5 per cent of England and 4 per cent of Wales are now forested. Clearings for agriculture and the pastoral industry, the use of timber for building purposes, and the smelting of iron with charcoal largely account for the small wooded area. The largest existing forests are the New Forest in Hampshire (400 square miles), Dean Forest in Gloucestershire (150 square miles), Windsor Forest in Berkshire, Epping Forest in Essex, Sherwood Forest in Nottingham, the Forest of Arden in Warwickshire, and the remnant of the Weald between the North and South Downs. Afforestation is now receiving attention and several comparatively barren tracts have recently been planted with trees. Deciduous trees—oak, beech, elm, alder, maple, poplar, and sycamore—are common on the plains and fertile lands, while the coniferous firs and pines and mixed types prevail on the hilly tracts and mountain valleys. Little English timber is utilized, careful conservation being practised, and reliance placed on foreign supplies.

**The Fishing Industry.** The temperate shallow seas round Britain are prolific in demersal fishes (sole, plaice, whiting, haddock, turbot, brill, and cod), and in pelagic species such as the herring, mackerel, sprat, and pilchard. Conditions of light, temperature of the water, and the pastures of the sea (planktonic animals and plants) are highly favourable to fish life. Life in the sea is now the

subject of much earnest research, and results will doubtless follow which will be highly valuable to the fishing industry, especially in connection with the migratory habits of certain fishes. Fisheries are pursued off all the coasts, but the North Sea is the most important area. From Hull, Whitby, Grimsby, Yarmouth, Harwich, Lowestoft, and Ramsgate steam and sailing trawlers seek the North Sea banks (Dogger, Silver Pits, Long Forties, and Well Bank), and "carriers" convey the hauls to the ports, from whence fast trains carry them to the industrial centres. The trawl brings up flat fish (flounders, soles, plaice, halibut, and turbot) and cod, haddock, hake, and ling, which feed at the bottom of the sea in shallow waters. Brixham, Penzance, Plymouth, and St. Ives are trawling centres for the southern and south-western fisheries. The plankton feeders—herring, mackerel, and pilchard—are caught in drift nets. An important herring fishing ground is that off the coasts of the Isle of Man, and fishing fleets from Douglas, Peel, Liverpool, Southport, Blackpool, Fleetwood, and Whitehaven resort thereto. Herrings are caught also off the coasts of Norfolk, off Hastings, and off the coasts of Devon and Cornwall; pilchards off the coasts of Devon and Cornwall; sprats at the mouth of the Thames and off the Goodwin Sands; lobsters on the reefs round Jersey, and off the coasts of Devon and Cornwall; prawns on the coasts of Kent and Sussex, mackerel in the English Channel, shrimps in the Wash, oysters from the artificial beds at Burnham-on-Crouch, Colchester, Faversham, Milton, and Whitstable; and whelks at King's Lynn and Great Grimsby. The salmon fisheries of the rivers Eden, Severn, Dee, Tees, Taff, Towy, Usk, and Derwent are of minor importance. Points of interest are the migration of the cod into British waters in winter, and the herring in summer and autumn, the great number of fishermen employed (40,000), the excellent training ground for the Navy, the case of the East Coast in obtaining salt, barrels, and ice for fish-preserving (haddock, London, and bloaters, Yarmouth and Lowestoft), and the fact that Billingsgate is the largest fish-market in the world.

**Hunting.** Grouse and partridge shooting, and fox-hunting, are favourite pursuits of many English gentlemen, and Chillingham Park still preserves a few wild animals.

**The Mining Industry.** Minerals have been, in all ages, of prime importance in determining the distribution of man and his settlements, their attraction is strong even where climatic disadvantages are great or communications small. To her great mineral wealth, especially in coal and iron, England must largely attribute her present world position of power. The early utilisation of coal gave England a long lead over Continental nations, and led to the localisation of industries, better communications, expanding markets, and the acquiring of colonies. Against the advantages in mining comprised in the wealth of minerals, the skill and energy of the workers, the abundance of capital, the excellent communications, and the employment of the best machinery must be placed the disadvantages of the long period of working the mines (the action of the "Law of Diminishing Returns" (*q.v.*)) the comparatively thin and sloping seams (coal), the depth of the mines, and the competition of newer countries. England, nevertheless, ranks among the foremost mining countries, and if steam power in the future becomes largely displaced by electric



woollen hosiery at Leicester, blankets at Dewsbury, Wakefield, and Witney, and flannels at Rochdale, Halifax, Walspool, Newton, Montgomery, and Dolgelly (Welsh mountain sheep). The iron industry originally had its centres in the Weald and the Forest of Arden, where charcoal was easily obtainable, now the chief localities are on or near the coalfields, and limestone for a flux and gannister for the converter lining are usually found in the iron districts. Iron smelting is carried on in the Cleveland District (Middlesbrough), the Furness District (Barrow-in-Furness and Dalton-in-Furness), Yorkshire (Leeds, Rotherham, Lowmoor, and Sheffield), South Wales, and the Black Country. Tin and zinc plate manufactures, and copper smelting are characteristic of South Wales. Cardiff, Swansea, Llanelly, Newport, Neath, Merthyr Tydvil, and Aberdare are among the chief centres. The towns of the Black Country specialise in iron articles demanding a large amount of labour in proportion to the cost of the material, freight rates are the consideration. Wolverhampton (locks), Cradley Heath (nails and chains), Redditch (needles), Coventry (cycles), Walsall (saddlery), Bilston (enamelled ware), West Bromwich (gun-barrels, locks, and safes), Wednesbury (keys and edge tools), Bromsgrove (nails and buttons), Smethwick, and Dudley are noted centres. Birmingham, lying outside the Black Country, is the great centre of the Midlands' iron industry, and is noted for all kinds of iron goods from a needle to a steam-engine. Command of traffic has led to the manufacturing of engines and railway carriages (coal and iron are often near at hand) at Darlington (N E R), Crewe (L and N W R), Eastleigh (S W R), Stratford (G E R), Doncaster (G N R), Derby (M R), Swindon (G W R), Oswestry (Cambrian R), Ashford (S E and C R), Newcastle, Manchester, and Birmingham. Newcastle is noted for heavy ordnance, Woolwich for guns, Enfield for rifles, Rotherham and Birmingham for electro-plate, Sheffield for cutlery and armour-plate, Warrington for iron wire, Middlesbrough and Barrow for steel rails, and Bristol for galvanised iron. Manchester, Salford, Oldham, Bolton, Accrington, Bury, and Rochdale make cotton machinery, Leeds and Keighley make woollen machinery, and Leicester makes machinery for elastic webbing. Agricultural machinery and implements are manufactured at Ipswich, Peterborough, Huntingdon, Norwich, Newark, Gainsborough, Lincoln, and Grantham in the farming regions. Shipbuilding is carried on at ports with easy access to coal and iron. It should be noted that vessels are now largely built of steel, and good harbour facilities are of prime importance in shipbuilding. The Tyne ports (Newcastle, South Shields, North Shields, Gateshead, and Jarrow), Sunderland on the Wear, West Hartlepool Barrow (protected by Walney Island), London, Birkenhead, and Hull, are the chief centres. London suffers from high rents and distance from coal and iron fields, so that its shipbuilding tends to decline. The Government dockyards are at Chatham, Portsmouth, Sheerness, Devonport, and Pembroke. Other iron centres are Workington, Wigan, Consett, and Frodingham. The silk manufacture is not of great importance, it labours under the disadvantage of competition from France and Italy, but the pure waters are an aid, and the industry still survives at Spitalfields (London), Congleton and Macclesfield (Cheshire), Coventry (silk ribbons), Leek (silk dyeing),

Bradford (velvets and plushes), Derby, Chesterfield, Ilkeston, and Brantree (Essex). Lace-making by hand, a surviving domestic industry, is carried on in Bedford, Buckingham, and Devon (Honiton). Linen goods are made at Leeds, Barnsley, and Barnard Castle, and sail-cloth at Sunderland, Hartlepool, and Stockton. The brewing industry is centred at Burton (ales and stout—the barley region round and the gypsum of the waters are aids) and London (porter, stout, and gin). Minor industries are matches at London and Liverpool; paper in Kent (Maidstone), Derbyshire, Hertfordshire, and Lancashire (Darwen and Bacup); glass at Newcastle, Stourbridge, Bristol, St. Helen's, Birmingham, Dudley, South Shields, Castleford, Doncaster, and Rotherham; furniture at Shore-ditch and Hoxton (London), and High Wycombe (chairs), and straw plait making-up (surviving by industrial inertia) at Luton. Boots and shoes are made at Northampton, Wellingborough, Stafford, Norwich, Leicester, Nottingham, and Higham Ferrers in the cattle regions, and tanning is carried on in London and Bristol (imported hides). Gloves are made at Worcester, Woodstock, Yeovil, Hereford, Taunton, and Leominster. The earthenware trade is mainly in Staffordshire. Stoke-on-Trent (Stoke, Burslem, Hanley, Longton, Tunstall, and Fenton) and Etruria utilise the coarse clays of the neighbourhood and kaolin from Cornwall and Devon. Derby and Worcester are noted for porcelain, Stourbridge for stoneware, and Lambeth for Doulton ware. Chemicals are manufactured in South Lancashire and North Cheshire (Runcorn, St. Helen's and Widnes), Flint, the Tyne towns, and the Cleveland District, where salt, sand, quartz, flint, tallow, and vegetable oils are near at hand or easily procurable. Of minor importance are the making of clocks and watches at London (Clerkenwell), Birmingham, Coventry, Prescott, and Liverpool, soap and candle manufactures at London and Port Sunlight, sugar-refining at London and Liverpool, cocoa and chocolate manufactures at Bristol and York, and tobacco manufactures at Bristol and Liverpool.

**Communications.** Means of communication, external and internal, are excellent. Roads are well made and kept, river navigation has been improved by canalisation, a network of canals exists, especially in the Midlands, railways branch in all directions connecting every district, and showing a great density when compared with the networks of other commercial countries, and postal, telegraphic, and telephonic communication are very complete. The growth in the tonnage of modern ships, the large controlling powers of the railways, and the slow conveyance of goods have led to the decline in canal traffic, but the tendency to deepen the canals, and the construction of ship canals, may lead to a brighter future. Motor traffic on the roads is increasing, and some claim that the aeroplane will be a factor in the future carrying of goods. The ports of London, Liverpool, Bristol, Hull, and Southampton are termini of the great ocean routes, and have excellent facilities for shipping.

London is the natural route centre of the most important railways, all of which are the growth of less than a hundred years. Among the earliest railways may be mentioned the Stockton and Darlington Railway (1825), and the Liverpool and Manchester Railway (1829). The London and North-Western Railway's main line runs from Euston



railways in the agricultural regions, and the importance of the Navy to shipping interests.

**Commerce.** The trade of England and Wales (internal and external) is of very great magnitude, but though the foreign and Colonial trade is of much importance, it is much exceeded by the domestic trade, which accounts for practically the whole of the home-grown food products, a large percentage of the manufactured goods, and the greater part of the coal raised. Among the advantages for commerce are the favourable climate, the central position among trading nations, the long established trading relations, the oceanic empire, the great shipping (about 48 per cent of the world's tonnage), the native love of the sea (island countries), the extended coast line and penetrating arms of the sea, the mineral wealth and numerous manufactures, the abundance of labour and capital, the great seaports, the excellent communications, the efficiency of labour, the freedom from military service, and the many inventions originated in the country. The commercial disadvantages, which are far outweighed by the advantages, are the high rents, wages, and freight rates (rail), royalties, the restrictions on labour (factory Acts and trades unions), the irrational spelling, the need of better commercial education (seriously engaging attention now), the want of a decimal system, and the high tariffs of other nations. Of the total external trade (foreign and Colonial, imports and exports), about one-quarter is with the Colonies and the remainder with foreign countries. Points to note are—That in statistical tables the imports' value much exceeds the exports' value, a fact accounted for by the large amounts ("invisible exports") earned in the carrying trade (Britain is the world's chief carrier), the *entrepôt* trade (London), and the capital expended abroad, the increase in trade in recent years, the competition of the United States and Germany, and the endeavours to obtain closer commercial relations with the Colonies. The chief possessions traded with are India, Australia, New Zealand, Canada, the Union of South Africa, British West and East Africa, the Straits Settlements, Ceylon, and British Guiana, while the chief foreign countries are the United States, France, Germany, Holland, Belgium, Russia, Spain, Egypt (nominally Turkish), China, Brazil, Italy, Sweden, Denmark, Argentina, Chile, Japan, Norway, Peru, Portugal, Roumania, and Greece. Food products and raw materials for manufacturing purposes form the bulk of the imports, and the prime importance of the Navy is thus clearly seen, and the reason for the concentration of the defence (military and naval) in metropolitan England. The chief food-imports and the countries of origin are—Wheat and flour (U.S.A., Canada, Argentina, Hungary, India, Egypt, Russia, and Australia), barley (Russia, Roumania, and Turkey), oats (Canada, Russia, Roumania, Germany, and U.S.A.), maize (Roumania, Argentina, Russia, Turkey, Italy, U.S.A., Hungary, and Egypt), rice (Burma and Bengal), dairy produce and eggs (Denmark, France, Russia, Ireland, Holland, Sweden, Canada, New Zealand, U.S.A., Belgium, and Argentina), fish (Canada, Newfoundland, U.S.A., Norway, France, Portugal, Holland), mutton (Argentina, Holland, New Zealand, and Australia), beef (New Zealand, Australia, Denmark, U.S.A., Argentina and Uruguay), pork (Holland and U.S.A.), living animals (Canada, U.S.A., and Argentina), rabbits (Australia and

New Zealand), poultry and game (Russia, Canada, U.S.A., France, and Belgium), bacon and hams (Canada, U.S.A., Ireland, and Denmark), fruits (U.S.A., Canada, Tasmania, Mediterranean countries, Canaries, East and West Indies, and Central America), sugar (Germany, France, and Belgium (beet), and West and East Indies, British Guiana and Queensland (cane)), tea (Assam, Ceylon, China, and Holland), coffee (Brazil, British East Indies, Arabia, India, and Central America), cocoa (Mexico, East and West Indies, Central America, Ecuador, and Brazil), ice (Scandinavia), spices (East and West Indies, Asia Minor, Zanzibar, India, and Central America), wine and spirits (France, Spain, Portugal, Italy, Germany, Australia, California, Cape Colony, West Indies, and British Guiana), tobacco and snuff (U.S.A., West and East Indies, Turkey, India, and Egypt), lard (Canada and U.S.A.), and vegetables (North Sea countries and France). Raw materials for manufactures are: Cotton (U.S.A., Egypt, Brazil, India, and British possessions); wool (Australia, New Zealand, Argentina, South Africa, Turkey, and Persia), flax (Russia, Belgium, and Holland); hemp (New Zealand, the Philippines, Italy, Russia, and Central America), jute (India); silk (France, China, Japan, Italy, and India), furs (Canada, Siberia, and the North Pacific Islands), timber (Canada, Russia, Sweden, Norway, U.S.A., Central America, West Indies, and Brazil), oils, oil-seeds, and oil-nuts (British West Africa, West and East Indies, Egypt, Argentina, U.S.A., and Brazil), rubber (Brazil, Ceylon, and Belgium Congo), gums (India and New Zealand), petroleum and paraffin (U.S.A. and Russia), skins and hides (Australia, New Zealand, U.S.A., Canada, Argentina, Bengal, South Africa, Germany, Holland, Belgium, and France), ivory (Africa), sponges (the Levant), feathers (South Africa (ostrich), Norway and Denmark (down)), paper-making materials (Norway, Sweden, Canada, and North Africa), dyeing and tanning stuffs (British East Indies, Germany, Holland, and Belgium), gold (South Africa, Australia, California, and Canada), silver (U.S.A., Tasmania, Australia, and Germany), platinum (Russia), copper (Spain, Cape Colony, U.S.A., Australia, Chile, and Peru), iron (Spain and Sweden), lead (Spain, U.S.A., and Australia), manganese (Russia, India, Chile, Brazil, and Turkey), zinc (Belgium, Germany, U.S.A., Italy, and Greece), nickel (New Caledonia, U.S.A., and Canada), tin (Straits Settlements, Chile, Bolivia and Tasmania), mercury (Spain and Austria), asbestos (Canada), asphalt (Trinidad), precious stones (South Africa, Brazil, Burma, Ceylon, Persian Gulf, and Australia), plum-bago (Ceylon, Germany, U.S.A., and Spain), sulphur (Italy), nitre (Chile), and guano (Peru). Articles manufactured and partly manufactured include Manufactured iron (U.S.A., Germany, and Belgium), cotton and woollen goods, France and Germany, silk goods (France, Germany, and Italy), leather and gloves (France, Belgium, and Denmark), clothing (France and Germany), porcelain (France), tin-plate ware (U.S.A.), chemicals (Germany), glass (Germany, Belgium, and Bohemia), scientific and musical instruments (France and Germany), matches (Sweden and Belgium), and watches and clocks (U.S.A. and Switzerland). Manufactured goods, especially cotton and iron goods, and coal are the chief exports. Coal is exported to most of the European countries, Egypt, and British and other coaling stations, and Welsh

capital of Wales, is the outlet of the South Wales coal and iron region. It imports grain, timber, and ores, and exports much coal. Much of its prosperity is due to the enterprise of the late Marquis of Bute, who spent vast sums in the establishing of new docks. Blast furnaces have been erected in recent years for the smelting of iron ore.

**Sunderland** (151,162), on the Wear, is an important shipbuilding centre, and the outlet for the coal and iron of the Durham coalfield. It has ironworks, forges for anchors and chains, glass works, chemical factories, paper mills, and rope and cordage works.

**Birkenhead** (130,832), on the Mersey, possesses a large natural dock, the Great Float, around which stand large shipbuilding and engineering works.

**Southampton** (119,039) occupies a peninsula at the head of Southampton Water. It is a most important packet station and port of call, and its tides, its position as the centre of the south coast, and the natural breakwater of the Isle of Wight enhance its importance. Its trade is principally with France, Spain, Africa, North and South America, South Africa, and Australia.

**Gateshead** (116,928), on the Tyne, is connected with Newcastle by three noted bridges, and its trade resembles that of Newcastle. It has shipyards, and chemical, glass, and engine works, and makes electric cables, wire, ropes, and cement.

**Swansea** (114,673), on the Tawe, is a metallurgical centre, and the centre of the tin-plate industry. Vast quantities of iron, tin, lead, and copper ores are smelted.

**Plymouth** (112,042), on Plymouth Sound, carries on an increasing trade with America, and competes with Southampton. With Devonport (81,694) and Stonehouse it constitutes "the Three Towns."

**South Shields** (108,649), on the Tyne, has a trade similar to that of Newcastle and is a growing port.

**Neuport** (83,700), on the Usk, is an important coal port, and the outlet of the colliery and iron district behind it.

Other seaports are Grimsby (74,663), a fishing port, Bootle (69,881), an extension of Liverpool, West Hartlepool (63,932), a shipbuilding centre, Barrow (63,775), a shipbuilding centre, Tyne-mouth (58,822), Great Yarmouth (55,808), a fishing centre, Stockton-on-Tees (52,158), a shipbuilding centre, Gloucester (50,029), Goole, a river port, Harwich, Dover, Newhaven, Folkestone, Weymouth, and Fishguard, packet stations, and Maryport, Workington, and Whitehaven, coal ports.

**Industrial Centres.** **Birmingham** (525,960), "the Capital of the Midlands," lies in the middle of the plain between the River Trent and River Severn. It is a very remarkable manufacturing centre, a town of ideas, and a most progressive city. Its industries include the manufacturing of metal goods of nearly all descriptions. Gold, silver, steel, and bronze articles, plated ware; ornaments, coins and medals, locomotives and rifles, and steel pens and brass pins are among the numerous manufactured goods. Its position has helped it to become a great railway and canal centre.

**Sheffield** (151,653), at the head of the navigation of the Don, includes in its manufactures cutlery, silver plate, electro-plate, textile machinery, armour-plate, railway carriage springs, rails, and brass goods. It is the fifth town (as regards population) in England, and the first in Yorkshire.

**Leeds** (145,568), on the Aire, is the centre of the Yorkshire woollen industry, a railway and canal centre, and the second town in Yorkshire. It

manufactures ready-made clothing, cloth, boots and shoes, textile machinery, linen, tobacco, glass, chemicals, railway and road engines, and steam ploughs.

**West Ham** (289,102), to the east of London, is a town of recent rapid growth. Shipbuilding, brewing, and the manufactures of matches, soap, chemicals, and artificial manures represent its activities.

**Bradford** (288,505), in the West Riding of Yorkshire, weaves more mohair than any other centre in the world. Worsteds, velvets, and plushes are its specialities.

**Nottingham** (259,942), on the Trent, manufactures cycles and motor cars, hosiery and lace, and lace-making machinery.

**Stoke-on-Trent** (the county borough includes Hanley, Stoke-on-Trent, Burslem, Longton, Tunstall, and Fenton) (234,553), is the centre of the pottery industry, and utilises local clays for the coarser kinds of earthenware, and kaolin for the finer porcelain and china wares.

**Salford** (231,380), the inseparable companion of Manchester, has similar industries to its greater sister.

**Leicester** (227,242), on the Soar, is an old Roman town, and manufactures woollen hosiery, boots and shoes, elastic-web, and lace.

**Bolton** (180,885), once famous for its woollen industry, is now a great cotton-spinning centre. It is also engaged in the coal and iron trade.

**Croydon** (169,559), a suburb of London, manufactures church clocks and carillons.

**Willesden** (154,267), a suburb of London, is a great railway junction.

**Rhondda** (152,798), in Glamorganshire, is a great coal-mining centre.

**Oldham** (147,495), in South Lancashire, is a great cotton-spinning centre, and manufactures textile machinery.

**Tottenham** (137,457), East Ham (133,504), Leyton (124,736), Wimbledon (54,876), Walthamstow (124,597), Ealing (61,235), Hornsey (84,602), Ilford (78,205), Edmonton (64,820), and Acton (57,523) are suburbs of London.

**Blackburn** (133,064) is an important Lancashire cotton-weaving centre.

**Derby** (123,433) is situated where the Derwent emerges on the plain. Like many other towns once strategically important, it has become a great railway junction, and is the headquarters of the Midland system. It has important railway works, and manufactures silk and porcelain.

**Norwich** (121,493), on the Wensum, manufactures all kinds of agricultural machinery and appliances, mustard, starch, and boots and shoes.

**Preston** (117,113), at the mouth of the Ribble, has, in addition to its cotton-weaving industry, important manufactures of electric cars and railway carriages.

**Stockport** (108,693), at the foot of the moors east of Manchester, is a cotton centre.

**Huddersfield** (107,825), in the West Riding of Yorkshire, makes woollen goods of all kinds.

**Coventry** (106,377), in Warwickshire, is a great manufacturing centre for cycles and motor cars. Its population has increased 52 per cent during the last ten years.

**Burnley** (106,337) is a cotton-weaving centre, and makes looms.

**Middlesbrough** (104,787), on the south side of the Tees, has had a remarkable growth. In 1829 a solitary farmhouse marked its site. Its present

need of keeping up its strength. Probably the future may see an Army and a Navy of Britain and the Britains.

*The Isle of Man*, ancient Mona (area = 227 square miles, population = 52,034), is situated in the Irish Sea, and is roughly equi-distant from England, Scotland, and Ireland. The island is mountainous (highest point, Snæfæll, 2,030 ft.), and contains many lovely glens. Fishing (herring), mining (lead, copper, zinc, and slate), sheep and cattle rearing, and a little agriculture (oats, barley, turnips, and grasses) are the principal occupations. Lovely coast and mountain scenery make the island a great summer holiday resort. Douglas, the capital (21,100), Ramsey (5,000), Peel (3,500), and Castletown (2,000) the ancient capital, are the chief towns. The island is administered in accordance with its own laws by the Court of Tynwald, consisting of the governor appointed by the Crown; the Council for Public Affairs composed mainly of ecclesiastical and judicial dignitaries appointed by the crown; and the House of Keys, a representative assembly of 24 members.

*The Channel Islands* consist of nine inhabited islands and innumerable rocks, lying in a cluster in the Bay of Avranches  $\frac{1}{2}$  to 30 miles from the French coast (total population = about 100,000, Jersey—45 square miles, 51,000 population, Guernsey—25 square miles, Alderney—4 square miles, and Sark— $\frac{1}{2}$  square miles—are the chief islands). They are the sole remaining possession of England's Norman heritage. Most of the inhabitants are engaged in fishing (cod and lobster) dairying ("Alderney and Jersey breeds"), and the growing of early flowers and vegetables and the culture of grapes for the English markets. The chief centres are St. Helier (30,000), the capital of Jersey, and St. Peter's Port, the capital of Guernsey. The islands are administered according to their own laws and customs, and French is still the legal language, though English is generally understood and taught in the schools. Like the Isle of Man, the Channel Islands are not bound by Acts of the Imperial Parliament unless specially mentioned in them.

**British Possessions.** Britain and her overseas possessions comprise over one-fifth of the land mass of the world, and contain one-quarter of the world's population. The Empire (so called, but strictly applicable only to India) has been gained by war, treaty, discovery, and settlement, luck also, has at times played its part. Among the uses of the possessions are the outlets they give for the surplus population, a factor of importance now, and certain to be of greater weight in the future; the markets they provide for British goods; the variety of the products they supply to Britain; and the aid they render in clothing, naval and military matters. Very special responsibilities are ours, and ones that have been taught by the loss of the American colonies, in the later decades of the nineteenth century. Effort has been made to secure the prosperity, peace, and tranquillity of the British Empire, and the feeling of responsibility to the Mother Country. Colonies entering into partnership are Canada, Newfoundland, and the British West Indies, the Cape, South Africa, the Transvaal, the Orange River Colony, Natal, and the Bechuanaland, Basuto Land, Zulu Land, Swazi Land; Rhodesia; Walvis Bay, Southern and Northern Nigeria, Gold Coast Colony, Sierra Leone, Gambia; British East Africa, Uganda Protectorate, British Somaliland, Zanzibar and Pemba Islands, Egypt (nominally Turkish), the Anglo-Egyptian Sudan, Mauritius, Ascension, St. Helena and the Seychelles Islands, and the Nyasaland Protectorate.

to record that a true bond (patriotic, commercial and political) exists between Britain and her numerous possessions, and that there are many signs that this link will continue.

The chief possessions are—

(1) *In the Mediterranean*—Gibraltar, the Maltese Islands (Malta and Gozo), and Cyprus (nominally Turkish).

(2) *In Asia*—India, Burmah, Ceylon, Aden, Straits Settlements, Federated Malay States (protectorate), Hong-Kong, Wei-hai-Wei (leased), Labuan, Brunei, British North Borneo, Bahrain Islands, and Sarawak.

(3) *In Africa*—The Union of South Africa (Cape Colony, Orange River Colony, Natal, and the Transvaal), British Bechuanaland, Basuto Land, Zulu Land, Swazi Land; Rhodesia; Walvis Bay, Southern and Northern Nigeria, Gold Coast Colony, Sierra Leone, Gambia; British East Africa, Uganda Protectorate, British Somaliland, Zanzibar and Pemba Islands, Egypt (nominally Turkish), the Anglo-Egyptian Sudan, Mauritius, Ascension, St. Helena and the Seychelles Islands, and the Nyasaland Protectorate.

(4) *In America*—Canada, Newfoundland, British Honduras, British Guiana, the Bahamas, the Bermudas, Trinidad, Jamaica; Barbados and certain of the Leeward and Windward Islands and the Falkland Isles.

(5) *In Australasia*—The Commonwealth of Australia (Australia and Tasmania), New Zealand; Papua (formerly British New Guinea), Fiji Islands, Solomon Islands, and many Pacific Islands.

All the important British possessions are noticed fully in separate articles.

**ENTAILED ESTATE.**—An estate is said to be entailed when it is directed, by the will or the settlement under which it is held, to pass on to the heirs of the body of the holder for the time being. The holder is the tenant in tail (*q.v.*). In the vast majority of cases, land which is entailed may be disentailed, or, as it is said, the entail may be barred. When this is accomplished the land is held in fee simple. (See **ESTATE TAIL**.)

**ENTRIED AT STATIONERS' HALL.**—The phrase, which is frequently met with at the beginning of books, signifies that the author, who is the owner of the copyright (*q.v.*), has had the book registered in the books at Stationers' Hall, which is a proof of the title and the date of publication, and also intimates that any person who infringes the rights of the owner of the copyright will be liable to be proceeded against at law for damages or for an injunction. Although the copyright of a published work belongs exclusively to the author, until he has assigned his right, no proceedings can be taken at law for an infringement of copyright unless registration has taken place, and it is the author who must complete the registration. That is the reason why in most agreements for the sale and purchase of the copyright of a book the publisher who purchases the copyright is one of the terms of the agreement that the author shall, if required, assign the copyright to the publisher at Stationers' Hall. No book can be registered before it is published, and when registration is applied for a perfect copy must be produced.

The Copyright Act, 1911, has made the registration of a book completely optional, and the

personal, is settled for the benefit of a particular individual, or for a number of individuals, the legal estate (*qv*) is vested in the trustees of the settlement (or it may be the trustees appointed under a will) whilst the equitable estate is in the beneficiaries (*qv*). Again, when land is mortgaged, the legal estate is in the mortgagee, to whom the land is conveyed, but the mortgagor, who has the right to the equity of redemption, has the equitable estate in the same. Similarly, a second mortgagee has an equitable estate in the property upon which he holds his second mortgage.

**EQUITABLE EXECUTION.**—(See ACTION, EXECUTION)

**EQUITABLE MORTGAGE.**—In the case of a legal mortgage (see MORTGAGE), the borrower or mortgagor, in consideration of the money advanced to him, conveys to the lender or mortgagee, the property upon the security of which the money is advanced. The mortgagee then obtains the legal estate, whilst the equitable estate remains in the mortgagor.

In many cases, however, where money is advanced temporarily, and not as a species of investment, it is the common practice for the borrower to deposit with the lender the deeds referring to the property, together with a note or memorandum of deposit. The memorandum generally stipulates that the borrower will, if required, execute a legal mortgage if called upon to do so. This is what is known as an equitable mortgage. The possession of the title deeds gives the mortgagee an adequate security for his loan, and this particular species of mortgage is frequently resorted to when an advance is required from a banker or other person. (See MORTGAGE)

**EQUITY.**—This is the name that has been given to that branch of the law which was a species of supplemental justice, where the common law (*qv*) was inadequate, and was formerly administered in the Chancery Courts. As is well known, the common law became a rigid kind of code at a comparatively early period of English history, and if a suitor was unable to bring his case within one of the writs recognised in the common law courts, he was absolutely without a remedy. It was to alleviate this evil that a subsidiary body of law arose, and its administration was in the hands of the Lord Chancellor. It is thus a curious fact that in our legal history a suitor's chances often depended upon the particular court in which he instituted his action. Without entering into the curious and absurd conflicts which arose out of this dual body of law, it is sufficient to state that equity gradually became as fixed as the common law, although the systems were kept distinct until the passing of the Judicature Acts of 1873 and 1875. Since the last-named year, law and equity have been administered equally in all the divisions of the High Court of Justice, and if there is now any conflict between the rules of law and of equity, those of equity are to prevail.

**EQUITY OF REDEMPTION.**—This is the name given to the right which a mortgagor always possesses to redeem his mortgaged property, unless his equity is put an end to by process of law. Thus, A mortgages his property to B. B has the legal estate, A has the equitable estate. So long as A keeps up the payment of interest and observes the covenants, if any, in the mortgage deed, he can always redeem his estate by paying what is due. And again, if A is in arrear and B proceeds,

by foreclosure or otherwise, to realise his security in any way, A is able, by liquidating his debt or by other means, to endeavour to postpone the extreme measures which would result in the absolute loss of his property. The right that thus exists, which is founded on the maxim "Once a mortgage, always a mortgage," is called the equity of redemption. (See MORTGAGE)

**ERASURES.**—All corrections in accounts should be made by passing the necessary entries to put matters in order through the journal, with a narration fully explaining the entry, but if it is absolutely necessary to alter an entry direct, the figure should be crossed through in such a manner that the original entry may be distinctly read, and the new figure inserted over or under it. Erasures often give rise to suspicion, especially when made so neatly that it is apparent the person making them has not wanted the alterations to be noticed, and when so made often cause difficulty in balancing the books, through the contra entry not having been altered accordingly, and the fact of the alteration not being easily seen causes it to be passed over when scrutinising entries where the difference may be likely to be discovered.

In the case of legal documents, erasures should be carefully avoided. If a deed is in any way altered, it is presumed to have been done before the execution, until the contrary is proved, and then it is clear a forgery has been committed. The presumption is the opposite in the case of a will. If, therefore, alterations appear in a will, these alterations must be executed as the will itself, otherwise they are of no effect. (See WILL.) Any alteration or erasure on a bill of exchange or a cheque must be initialled by the drawer.

**ERGOT.**—A parasitical fungus, producing a disease in the cereals which it attacks. It is found chiefly on the seed of rye, and a liquid extract is obtained from it, which is useful in cases of hæmorrhage and in attacks of migraine. In another form it is used for hypodermic injections, but care must be exercised in its administration, as large doses are poisonous. Germany and Russia supply Great Britain.

**ERMINE.**—The name given to the stoat when in its winter coat of white fur. The ermine is a small carnivore of the weasel family. Its fur is in great request for the robes of State dignitaries, and is much prized for stoles, muffs, coats, etc. The end of the tail is black. Though the ermine is common in the northern parts of both the Old and New Worlds, the valued white-coated specimen is confined to the highest latitudes. Great Britain's supplies come from Norway, Siberia, Lapland, and the extreme north of Canada.

**ERRORS, DETECTION OF.**—As referring to accounts, although there is no method by which errors may be altogether obviated, they may be easily detected and rectified by the adoption of a thorough system of organisation. This system should comprise the allocation of staff duties in such a way that in every operation the operation is conducted by one person in the first instance, checked by another, and, wherever possible, re-checked by a third. Thus, in paying wages, one person should make up the wages sheets, another check them, and a third make them up ready to hand to the employees; in stocktaking the stock should be taken down by one, extended by a second, and checked by a third, in posting books of account, the postings should always be re-checked

limited like probate duty to assets which are within the jurisdiction of the Court of Probate

Property passing on the death includes the following—

(a) Property of which the deceased was at the time of his death competent to dispose, whether or not he, in fact, disposed of it by his will (A person is deemed competent to dispose of property if he has such an estate or interest therein, or such general power over it as would, if he were *survivor*, enable him to dispose of the property, and includes a tenant-in-tail, whether he is in possession or not, and the expression "general power" includes every power or authority enabling the donee or other holder thereof to appoint or dispose of the property as he thinks fit, whether exercisable by instrument *inter vivos* or by will, or both, but exclusive of any power exercisable in a fiduciary capacity under a disposition not made by himself, or exercisable as tenant for life under the Settled Land Acts, 1882, or as mortgagee)

(b) Gifts of property, real or personal, such as donations *mortis causa*, i.e., gifts made conditionally in contemplation of death and revocable on the donor's recovery, made within a year preceding the death

(c) The deceased's severable share of property, of which he was joint owner with another

(d) Insurance policies on the deceased's life effected by the deceased, and kept up for the benefit of a donee, whether assignee or nominee

(e) Property in which the deceased or any other person had an interest ceasing on the death of the deceased, to the extent to which a benefit accrues or arises by the cesser of such interest, but exclusive of property the interest in which of the deceased or other person was only an interest as holder of an office, or as recipient of the benefits of a charity, or as a corporation sole

(In computing the value of the benefit accruing or arising from the cesser of an interest ceasing on the death of the deceased, the following rules are applied—

(1) If the interest extended to the whole income, the value is the principal value of the property passing, (2) if the interest extended to less than the whole income of the property, the value appears to be the principal value of an addition to the property equal to the income to which the interest of the deceased extended. The clause deals with the ceasing of an interest in property which does not pass on the deceased's death, and has no reference to property which does pass on the death. Such property is divided into two classes. (a) Property in which the deceased had an interest ceasing on his death. (b) property in which some person, other than the deceased, had an interest ceasing on the death of the deceased. Under (a) fall life annuities and rent-charges charged on any property, the "life" being the life "of the deceased." The test is whether upon the falling in of the life in question a benefit must accrue to some person. No duty is, therefore, levied in respect of an annuity payable during the life of the deceased, and ceasing on his death if it is merely secured by a covenant and is not charged on the property. Under (b) fall cases in which an estate or interest in, or an annuity or rent-charge charged upon property is given to a third person during the life of the deceased. Leases for lives, of which the deceased was the last life fall under this heading)

In order to avoid difficulties which had arisen as

to (f), the Finance Act, 1900, has enacted that in the case of every person dying after March 31st, 1900, property, real or personal, in which the deceased or any other person had interest for the life of the deceased, is to be deemed to pass on the death of the deceased, notwithstanding that the interest has been surrendered, assured, divested, or otherwise disposed of, whether for value or not, to or for the benefit of any person entitled in remainder or reversion in such property, unless the surrender or disposition was made or effected *bond fide*, and possession assumed *bond fide* twelve months before the death of the deceased. It will be seen, therefore, that the disposition of property with the idea of avoiding the death duties is attended with considerable risk. The donor's estate may not, after all, escape the duties, and if the donor survives the donee, either the donor may lose any benefit for which he has privately stipulated, or he may be called upon to pay succession or legacy duty upon his own property, which has reverted to him by the will, or otherwise, of the deceased donee. The court has recently expressed the opinion that there is nothing illegal or immoral in making disposition of property in order to escape death duties. The difficulty is to do it successfully.

By the Finance Act of 1910 the period within which property might be disposed of and still be liable to estate duty was extended. The period first suggested was five years. This was eventually reduced to three years, and now by that Act gifts of property made *inter vivos* up to three years before the death of the deceased are rendered liable to duty. Consequently the risk of failure in transferring property in the hope of escaping duty is increased. The provision, however, is not retrospective, and does not apply to gifts made or effected for public or charitable purposes.

Nor does the new period of three years apply also to gifts made by the deceased in consideration of marriage, or which are proved to the satisfaction of the Commissioners of Inland Revenue to have been part of the normal expenditure of the deceased, and to have been reasonable, having regard to the amount of his income, or to the circumstances, or which, in the case of any donee, do not exceed in the aggregate £100 in value or amount. There are other exceptions provided by the Act which do not require any notice here.

Immovable, that is, real, property which is not situated in the United Kingdom, is exempt from estate duty. And even movable, that is, personal, property which is not situated in the United Kingdom is also exempt from the duty, if the deceased owner was not a person domiciled in the United Kingdom at the date of his death. But estate duty is payable if the deceased owner was domiciled in the United Kingdom when he died, and it is also payable, generally, where the deceased was only interested for life, and at his death the property formed the subject of a British trust or was vested in a British trustee.

The following property, even though it is situated within the United Kingdom, is expressly exempted from estate duty—

(a) Settled property of every description in respect of which estate duty has been paid since the date of the settlement, unless the deceased was at the time of his death, or had been previously, competent to dispose of it.

(b) Property held by the deceased as a trustee for another person under a trust not created by the

accountable, and does not pay on the request of the persons who are accountable, the latter must pay on an account which sets forth the particulars of the property, including any income that has accrued, but has not been paid over at the death, and they must deliver the account to the Inland Revenue within six months of the death or at such extended period as the revenue authorities may have allowed. The amount payable, if paid by the trustees, etc., is a first charge on the property.

The estate duty is due and payable upon the delivery of the account by the executor or administrator, or at the expiration of six months from the death of the deceased, whichever happens first. Until payment is made, simple interest at the rate of 3 per cent. is charged upon the estate duty, and if the payment is delayed beyond six months, the rate of interest is raised to 4 per cent. At the option of the person delivering the account, the estate duty payable upon real property may be paid by eight equal yearly instalments or sixteen half-yearly instalments, with interest at the rate of 3 per cent. per annum from the date at which the first instalment is due, and this instalment becomes due at the expiration of twelve months from the death. The interest on the unpaid portion of the duty is added to such instalment and paid accordingly. If the real property is sold, the estate duty is payable on the completion of the sale. The payment of the estate duty is to be made primarily out of the residue of the estate of the deceased.

A new provision of the Finance Act, 1910, allows the person liable to pay estate duty (or settlement estate duty or succession duty) in respect of any real (including leasehold) property to arrange with the Commissioners of Inland Revenue to make the payment in whole or in part by a transfer of such part of the property as may be agreed upon between the Commissioners and that person. No stamp duty is payable on any conveyance or transfer of land to the Commissioners under the section.

In addition to the estate duty, where property is settled by the will of the deceased, or having been settled by some other disposition since 1891 the interest in the same passes upon the death of the decedent to some other person who is unable to make any disposition of it, there is a further duty payable of 1 per cent., called settlement estate duty (see). By the Finance Act, 1910, the rate has been increased to 2 per cent.

In the valuation of the property liable to estate duty, the principal value is to be obtained by ascertaining the price which, in the opinion of the Commissioners of Inland Revenue, the property would realise in the open market at the date of the death of the deceased, but the Commissioners shall not make an ascertainment in the estimate on account of the estimate being made on the assumption that the whole property is to be placed on the market at once at the same time. There is a grant on the estate if it is proved that the value of the property has been devalued by reason of the death of the decedent, the loss being in part the price which the property would have realised if the property were not divided, the value of the estate is not to exceed two-thirds of the value of the property, and the value of the estate is not to exceed the value of the property. For the purpose of the grant, the value of the property is to be ascertained as if the property were not divided, and the value of the estate is to be ascertained as if the property were not divided. The value of the property is to be ascertained as if the property were not divided, and the value of the estate is to be ascertained as if the property were not divided.

tion of the property may be referred to the High Court, or to a county court when the amount is less than £10,000. There is a right of appeal to the Court of Appeal.

Any person who for the purpose of obtaining any allowance, etc., in respect of any duty under the Finance Act, 1910, knowingly makes any false representation is liable, on summary conviction, to imprisonment for a term not exceeding six months with hard labour (See LEGACY DUTY, SETTLEMENT ESTATE DUTY, SUCCESSION DUTY).

**ESTIMATE.**—A document which shows what is the amount demanded by a contractor or other person for carrying out certain work or supplying certain goods.

**ESTOPPEL.**—This is a legal term, which signifies that a person is stopped or prevented from setting up a claim or a defence in an action, as the case may be on account of some previous act or representation, or of some legal presumption which is inconsistent with it. Thus, a drawer, an acceptor, and an indorser of a bill of exchange are each estopped from denying certain facts connected with the bill (these are noticed in the separate articles dealing with each of these parties). Again, where bonds (not strictly negotiable) are placed in the hands and under the full control of an agent for disposal by the owner of them, the principal is precluded, or estopped, from saying that a person who takes the bonds in good faith and for value, from the agent has not got a good legal title to the bonds. In such a case the title to the bonds is founded on estoppel.

**ESTREAT.**—An estreat is a copy or a true extract of some original document or record.

**ETHER.**—A colourless, transparent, mobile liquid, lighter than water and very volatile. It has a peculiar odour and a somewhat fiery taste. It is prepared by heating alcohol with sulphuric acid. Ether is highly inflammable, and when its vapour is mixed with air an explosive mixture is formed. Its uses are numerous. It is employed in freezing machines, and is a valuable solvent of fats, all resins, etc. Mixed with oxygen, it is used in the production of lime-light, and in chemical analysis it is much used for the separation of oils from other organic matters. In medicine it is an important anæsthetic, being sometimes applied locally, e.g. by dentists, sometimes inhaled in the place of chloroform and sometimes administered as a hypodermic injection to stimulate the heart. Its chemical symbol is  $(C_2H_5)_2O$ .

**ETHIOPIA.**—(See AFRICA.)

**ETAL.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY.)

**ETIOGRAPHY.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY.)

**ETIOLOGICAL.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY.)

**ETIOLOGICAL.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY.)

**ETIOLOGICAL.**—(See FOREIGN WEIGHTS AND MEASURES—ITALY.)





the Durance The Danube rises in the Black Forest and pursues a course of nearly 1,750 miles, eventually discharging itself into the Black Sea It is a most important waterway from Ulm, in Bavaria, to its mouth Its tributaries are very numerous, but those which are mostly navigable, and which provide such excellent communication in Central Europe, are the Theiss, the Drave, and the Save Although the Danube is fairly rapid in parts, the adoption of specially constructed steamers has made the river and its tributaries an easy way of transport The Volga is the longest river in Europe, having a course of about 2,400 miles It rises in the Valdai Hill, and discharges its waters into the Caspian Sea It is the great natural waterway of Russia, and amongst its most important tributaries are the Kama and the Viatka All these rivers, as well as the other important ones of the continent of Europe (no reference is made here to the United Kingdom) are noticed in greater detail in separate articles dealing with the different countries

The lakes of Europe may be placed in two divisions The highland region of Switzerland and Italy, the lowland of Russia and Sweden The former include Geneva, Constance, Neuchatel, Lucerne, Zurich, Lugano, Como, Maggiore, and Garda, whilst the chief of the latter are Ladoga, Onega, Peipus, Wener, Wetter, and Malai

**Geology.** Europe presents every system of geology, from the deepest seated granites to the latest volcanic lava or the most recent alluvia From the broken and undulating nature of the soil, these formations are repeatedly brought to the surface in the northern and western districts, northern and eastern Russia being the only areas where formations are continuous over wide areas In this way, the mineral treasures of Europe become the more readily available, and these consist in general terms of granites, marbles, limestones, coals, ironstones, gypsum, rocksalt, sulphur, sandstones, fire-clay, pottery-clays, sands, flints, etc., also of iron, copper, tin, lead, silver, mercury, and other useful metals This abundance of useful minerals and metals enabled the inhabitants of Europe to engage at an early period in the arts, manufactures, and commerce, and it is to this same abundance that the present superiority in mechanical, manufacturing, and commercial industry is mainly to be attributed

**Climate.** Owing to the fact that so much of the continent of Europe is not very distant from the sea, as compared with other continents, the climate is more of an insular than of a continental character The Gulf Stream also tends to accentuate this peculiarity, and, in addition, there have to be taken into consideration the effects springing from drainage and the efficient cultivation of the soil The extremes of temperature, therefore, are not so noticeable here as elsewhere

**Economic Conditions.** A discussion of the economic conditions of the continent of Europe means a discussion of each separate country, and its particular industries and natural productions. As already noticed, each of the countries of Europe is dealt with fully in a separate article, and in these several articles there will be found the fullest information on the subject

**EVEN.**—This is a term used on the Stock Exchange to signify that when securities are carried over, there is neither contango nor backwardation to pay

**EVERLASTING FLOWERS.**—Also known by the

French name, "Immortelles" The general name given to certain flowers of the order *Compositæ*, which retain their colour and form for a long period after being gathered and dried *Helichrysum bracteatum* is the best known species It grows in France, Italy, and Germany, where the preservation of the flowers forms an important industry One of the main uses of the flowers is for memorial wreaths, for which purposes they are bleached white A species now grown in Cape Colony produces a naturally white flower Great Britain and the United States are the principal purchasers of immortelles.

**EX ALL.**—Shares are said to be sold "ex all" when the dividend just due, any bonus, return of capital, and right to claim new stock or shares are retained by the seller

**EXCESS BAD DEBT INSURANCE.**—(See INDEMNITY INSURANCE)

**EXCHANGE.**—The giving or the taking of one thing or commodity for another In commercial language, it is used to denote the method of dealing with debts owing by one country to another, and is thus largely concerned with bills of exchange, etc

An exchange is also a building or place of resort for merchants and others, the name being adopted from the circumstance that buying and exchange of merchandise, and the exchanging or payment of money, form the chief business transacted

**EXCHANGES, FOREIGN.**—(See FOREIGN EXCHANGES)

**EXCHEQUER BILLS.**—These were promissory notes which were formerly issued by the English Government They first came into existence at the end of the seventeenth century, and constituted the floating debt of the country for about 170 years They have now gone out of existence, and their place has been taken by Treasury Bills (*qv.*)

**EXCHEQUER BONDS.**—Bonds which are issued under the authority of Acts of Parliament, by the Lords Commissioners of His Majesty's Treasury. They usually run for periods of from three to five years, and it is seldom that they are issued for a longer term than ten years

The following is a specimen of an Exchequer Bond forming part of an issue to be all paid off in ten years—

*Exchequer Bond*

*Per Acts 29 Vict c 25, 52 Vict c 6 and 5 Edw. VII, c 4*

B00413 £200 B00413

*This Bond, unless previously drawn and redeemed as hereafter set forth, entitles the Bearer to receive the sum of TWO HUNDRED POUNDS on April 18, 1915, at the rate of £2 15s. per cent per annum, payable as follows, on October 18, 1905 a first dividend, being interest accrued from April 18, 1905, upon the various instalments of the subscription money as they severally become due, and thereafter by quarterly dividends, payable on January 18, April 18, July 18, and October 18, on presentation of the coupons hereunto attached, being interest upon the total capital sum hereby secured*

*This bond forms part of an issue amounting to a total of ten million pounds, which amount will be paid off in ten years from the date hereof at the rate of one-tenth part of the total issue in each year The bonds to be redeemed will be drawn in each year in accordance with regulations made by the Treasury, and the bonds so drawn will be paid off at*



	£	s	d		£	s	d
<b>Motor Spirit.</b>							
Manufactured in the United Kingdom	0	0	3	required on each day during the week, the duty charged is only five sevenths of the above)			
The duty is repayable to persons who use the spirit otherwise than for motive power for motor cars and half duty is repayable when it is used for trade cars or hackney carriages, or by a medical man for professional purposes				<b>Railways.</b>			
Motor Spirit Manufacturer, annual	1	0	0	On passenger receipts per £100, in Great Britain, but subject to an exemption in respect of fares not exceeding 1d per mile—			
" Dealer	0	5	0	Urban district traffic	2	0	0
(1 pint of motor spirit may be sold at a time without a licence)				Other traffic	5	0	0
<b>Occasional Licences</b>				Restaurant car, annual licence	1	0	0
To licensed traders to sell at special times and places, per day—				<b>Refreshment Houses.</b>			
Any intoxicating liquor	0	10	0	England and Ireland annual—			
Beer or wine only	0	5	0	Where rent is less than £30	0	10	6
Tobacco dealers	0	0	1	" £30 or over	1	1	0
<b>Passenger Vessels.</b>				Saccharin (or like substance) per oz	0	0	7
On which excisable liquors and tobacco are sold				<b>Spirits.</b>			
For one year	10	0	0	Home-made, per proof gallon	0	14	9
For one day	2	0	0	Imported from Channel Islands, per proof gallon	0	15	1
<b>Pawnbrokers.</b>				Rectifiers and Compounders, annual licences	15	15	0
Annual licence	7	10	0	Dealers not retailers	15	15	0
If trading in plate without regard to weight, additional	5	15	0	(Methylated), makers of	10	10	0
<b>Pedlars.</b>				" retailers of	0	10	0
This is a police licence	0	5	0	Retailers of, for consumption on the premises, annual (See <i>PENICANS</i> )			
<b>Plate Dealers.</b>				Retailers of, not to be consumed on the premises—			
(For each place of business)				Annual value of licensed premises			
Gold, above 2 dwts and under 2 oz in weight, and silver above 5 dwts and under 30 oz in weight, in one article	2	6	0	Not exceeding £10	10	0	0
Gold, above 2 oz, and silver above 30 oz	5	15	0	Exceeding £10 and not exceeding £20	11	10	0
Refiners of gold and silver—				" £20 " " £30	14	0	0
Annual licence	5	15	0	" £30 " " £50	15	0	0
<b>Publicans.</b>				" £50 " " £75	16	0	0
An annual licence, for spirits, beer, and wine, to be consumed on the premises—the duty being equal to half the annual value of the premises, subject to a minimum of from £5 to £35, according to the population of the district				" £75 " " £100	17	10	0
In Ireland the licences range from £5 to £10s				" £100 " " £250	19	0	0
<b>Hotels and Restaurants</b> The duty charged varies according to the proportion that the receipts from intoxicating liquors bear to the total receipts, or, as an option, 25 per cent of the annual licence value, subject in each case to a minimum charge				" £250 " " £500	30	0	0
(N B—In all cases referring to persons who deal in retail with intoxicating liquors, it is to be recollected that where the premises are closed on Sundays, or where the closing is one hour earlier than is otherwise required on week-days, the duty payable is only six-sevenths of the duty above set out Where there is a complete closing on Sundays, and also a closing of one hour earlier than is				" £500	50	0	0
				The sale of methylated spirits is prohibited between the hours of 10 o'clock on Saturday evening and 8 o'clock on the following Monday morning, under penalty of £100			
				<b>Still or Retorts.</b> Annual licence—			
				Chemists or others, keeping or using	0	10	0
				<b>Sweets.</b> Annual licence—			
				Maker	5	5	0
				Wholesale dealer	5	5	0
				(N B—Sweets include British wine)			
				Retailers of sweets pay the same duty as cider retailers ( <i>supra</i> )			
				<b>Tobacco.</b>			
				Grown in Ireland (from April 30th, 1909), or grown in England or Scotland (from January 1st, 1910)—			
				Manufactured in bond	0	4	8
				Unmanufactured if containing 10 per cent moisture	0	3	6
				Less than 10 per cent moisture	0	3	11
				Tobacco Growers, Cultivators or Curers, England and Scotland, annual licence	0	5	0
				<b>Tobacco and Snuff.</b> Annual, U K—			
				Dealers in	0	5	3
				Tobacco manufacturers, not exceeding 20,000 lbs	5	5	0
				Exc 20,000 lbs and not exc 40,000	10	10	0
				" 40,000 " " 60,000	15	15	0

avoid execution. A judgment creditor who has obtained an order for a receiver is not a creditor who has issued execution within this Section. A sale is not completed until all the goods have been sold, but if a contract to sell is complete before the act of bankruptcy, and only formal acts are necessary to carry out the contract, those acts may be done after bankruptcy. Where the sheriff who is carrying out an execution on behalf of a creditor is served with a notice of a receiving order, he must hand over the goods and money seized to the official receiver. He must also pay the proceeds (less cost of execution) of goods sold or money paid to avoid a sale in respect of a judgment for a sum exceeding £20, on receiving, within fourteen days, notice of a petition by or against a debtor against whom a receiving order is afterwards made on that or some other petition of which the sheriff has notice. An execution creditor must, if called upon, satisfy a landlord's claims for a year's rent.

**EXECUTOR.**—An executor is the person who has been appointed by the will of a testator to see that the directions contained in the will are carried out. The feminine form of the word is *executrix*. An executor may be appointed by name or by implication, *e.g.*, as where a person is to have the testator's goods to pay debts, or where a person is appointed executor if another will not act, but in the latter case he is called an executor according to the tenor of the will. Again, a testator may leave the appointment of an executor to a third person, and such third person may appoint himself to the office, unless there is a contrary intention expressed in the will.

Where there is no will there can be no executor. The person who is then appointed to administer the estate of the deceased is called an administrator (*q.v.*), or *administratrix*. There may be, of course, more than one executor of an estate, but a single administrator is usual.

The rights and duties of executors and administrators are practically the same, except that the former must carry out the directions contained in the will of the deceased, whilst the latter, where there is no will, have nothing further to consider than the obligations laid upon them by the law.

Any person may be appointed as executor unless he is specially excluded by law. Lunatics and idiots are, of course, incapable of acting, for they lack understanding. An infant can be appointed, but he cannot act so long as he is a minor, but can act on attaining his majority. When an infant is named sole executor, an administrator with the will annexed must be appointed to act during the minority, if an infant is one of several executors, those who are not minors can act, and a grant of administration is not necessary. A married woman may act independently of her husband as executrix since the passing of the Married Women's Property Act, 1882, and may sue or be sued without her husband as if she were a *feme sole*. An alien is as capable of acting as a natural-born or a naturalised citizen. A partnership firm, a company, or a corporation may each be appointed. A grant of the probate of a will is made to the members of a partnership firm individually, and not to the firm as a firm, whilst in the case of a company or corporation aggregate letters of administration, with the will annexed, are granted to a representative of the company or corporation. There are now several companies existing who undertake the offices of executors and trustees for an agreed commission as their particular business.

No special form of words is required for the appointment of an executor, but a testator should make his appointment clear so as to save unnecessary expense. If there is no executor expressly appointed, any person who has duties imposed upon him by the will may be an executor according to the tenor of the will. It has (*e.g.*) been decided that where a testator appointed a person "to hold and administer in trust all my estate well known to the said H. E.," this was sufficient to constitute H. E. an executor according to the tenor; in short, if it is clear from the language of the will or testamentary document that a particular person was intended to act as executor, that person will be appointed executor according to the tenor. The court, however, will not find that trustees named in the will are executors according to the tenor unless there is some direction that they are to do some act of an executory character.

An executor is generally appointed absolutely, but his appointment may be limited and extend to certain property only, or it may be only for a specified period. Again, on the death of a single or surviving executor, the executorship is transmitted to the executor named, if there is one, in the will of the executor, but where there are two executors, and one dies, the survivor becomes sole executor. But there is no transmission of an administratorship, nor does an executorship devolve upon the administrator of the estate of an executor or administrator. Whenever anything remains to be done to an estate, and there is no executor surviving, an administrator must be appointed to administer the portion of the estate which has been left unadministered. Where a person appointed executor renounces probate, the right of representation is as if he had never been appointed.

A person who intermeddles, without authority, with the estate of a deceased person, may render himself liable to be sued by creditors and legatees, and be put to much inconvenience. He is called an executor *de son tort*, *i.e.*, of his own wrong. It has been said that he has all the disadvantages and none of the advantages of a properly constituted executor, but he is not liable beyond the amount of the assets which have come into his hands, and he may plead in an action brought against him that he has fully administered the estate. Examples of acts which constitute an executor *de son tort* are: (1) Demanding or receiving payment of debts due to the deceased; (2) paying the debts of the deceased out of the assets; (3) acting in fraud of creditors as the administrator of the deceased; but placing the deceased's goods in safety, arranging the funeral, and paying the expenses out of the assets, making an inventory of the deceased's goods, or receiving assets as agent for the lawful executor (provided that in so acting he does nothing that a lawful executor or administrator could not have done), do not constitute an executor *de son tort*. Thus an executor *de son tort* has all the liabilities, but none of the privileges (*e.g.*, retainer) of a lawful executor.

No one is compelled against his will to accept the office of executor, nor need he accept it after the death of the testator, even though he promised during the lifetime of the deceased to act as executor, for he has given no consideration for the promise. There must, however, be a clear renunciation, which must be made before any act is done which lies within the ordinary province of an executor, or before anything is done from which an

tees for the persons legally entitled to the beneficial interest in the same, and that those persons shall require a legal transfer to be made

Section 3 of the Act is as follows—

"(1) At any time after the death of the owner of any land, the personal representatives may assent to any devise contained in his will, or may convey the land to any person entitled thereto as heir, devisee, or otherwise, and may make the assent or conveyance either subject to a charge for the payment of any money which the personal representatives are liable to pay, or without any such charge, and on such assent or conveyance, subject to a charge for all moneys (if any) which the personal representatives are liable to pay, all liabilities of the personal representatives in respect of the land shall cease, except as to any acts done or contracts entered into by them before such assent or conveyance

"(2) At any time after the expiration of one year from the death of the owner of any land, if his personal representatives have failed on the request of the person entitled to the land to convey the land to that person, the court may, if it thinks fit, on the application of that person, and after notice to the personal representatives, order that the conveyance be made, or, in the case of registered land, that the person so entitled be registered as proprietor of the land either solely or jointly with the personal representatives.

"(3) Where the personal representatives of a deceased person are registered as proprietors of land on his death, a fee shall not be chargeable on any transfer of the land by them unless the transfer is for valuable consideration

"(4) The production of an assent in the prescribed form by the personal representatives of a deceased proprietor of registered land shall authorise the registrar to register the person named in the assent as proprietor of the land "

Where a man is actively engaged in business on his own account, he ought to take special care to give directions in his will as regards the business, and to indicate what proportion of his estate is to be employed in it. Otherwise executors may find themselves personally liable to creditors for continuing the same. The safest plan, when there are no directions in the will, is to sell the business, though this step should not be hurriedly taken to the injury of the estate, but it should be sold so as to procure the best price reasonably obtainable. Where executors carry on the business of their testator in accordance with his instructions and with the assent of the creditors, they are entitled to be indemnified out of the testator's estate against liabilities properly incurred in the conduct of the business in priority to the claims of the testator's creditors. The liability of a partner ceases on death, or his death determines the partnership, and his estate is not liable for debts contracted after his decease.

In order that the executor may have time to inform himself of the state of the testator's assets, and to pay his debts, legacies are not payable until after the expiration of a year from the death of the deceased, although the will may direct earlier payment. This is known as the executor's year, but executors are not compelled to delay payment for so long a period. On the other hand, an administrator would be acting unwisely to make any distribution of an intestate's estate until a year has expired. In the case of legacies payable to infants,

the money should be paid into court, and not to the infant or to his parent, or other person, on his behalf, unless there is a special direction to that effect in the will. Trustees have the power in certain cases to apply the income of an infant's property for his maintenance, education, or benefit, but an executor should not pay money for advancement of an infant out of capital without the leave of the court. Where an executor of his own accord pays a legacy, he cannot compel the legatee to refund the money in order to pay other legatees, but it is otherwise if he pays it under legal compulsion, further, if, after he has paid legacies, debts appear of which he had no notice at the time of payment, he can call on the legatee to repay. A creditor whose debt has not been paid can compel a legatee to refund.

Executors are jointly responsible for the funds which come into their hands. They must use prudence in dealing with the same, otherwise they will render themselves liable for any losses which arise. An executor has no authority in law to carry on his testator's business or trade, and if he does so without the order of the court he will, if the assets are deficient, be liable himself for the debts contracted since the testator's death. Also an executor must not leave the unlimited control of the funds comprised in the estate to his fellow-executor or executors, except at his own risk. An executor who by his act puts his co-executor into sole possession of assets is liable for the loss resulting if the act was not necessary, unless it was done in the regular course of business. Executors are just as responsible as trustees, and, like them, they are entitled to no remuneration for their services, however laborious or valuable, unless there is a special provision as to compensation contained in the will. The only deductions that are allowed to be made are for out-of-pocket expenses incurred in the executorship. Where an executor or administrator has wasted the assets, he is guilty of what is known in law as a *devastavit*, and is personally liable, as far as he had, or might have had, assets of the deceased. (See ADMINISTRATION, ADMINISTRATORS)

**Executor's Accounts.** An executor, and equally an administrator, must account for all profits which have accrued during the time of his office, either spontaneously or by his own acts, out of the deceased's estate. Thus if he carries on the business or trade of the deceased, whether in pursuance of the articles of partnership entered into by the deceased, or by a direction in the testator's will, or under an order of the court, he must account for the profits as assets of the deceased. To give other examples, he must account for all profits arising from (a) a lease, (b) occupying buildings at less than fair rent, (c) the purchase of legacies, (d) a sale to himself, (e) compounding debts or mortgages, (f) private speculations. Where he employs the assets in trade for his own benefit, the beneficiaries are entitled to interest at 5 per cent on the assets, or to the actual profits at their option, and surviving partners who are the executors of the testator and use his assets in the business must account for the profits so made. The executor may even be made to account for and pay over the profits, even though the persons in partnership with whom he made those profits are not made parties to the suit. It has been laid down that "if an executor commits a breach of trust, he and all those who are accomplices with him in that breach of trust are all and each of them bound to make good the trust.

principle does not apply to costs incurred in a suit where the solicitor acts in the suit for himself and as co-trustees, in which case he will be allowed the costs properly chargeable by a stranger to the trust, at not any increase of costs due to the fact that he is one of the parties.

Where a solicitor is sole executor and trustee of a will, and the estate proves to be insolvent, he will not be entitled to charge profit costs, even if a clause in the will empowers him to charge profit costs, for such a clause amounts to a legacy to the solicitor, and being a gift, he cannot compete with the creditors.

In the same way an agent, who becomes the executor of his principal, has no right to charge commission on business done after the testator's death, *e.g.*, an executor who acts as auctioneer at the sale of the assets, cannot charge commission.

An executor in general must collect the assets himself, but he is entitled to employ an agent to collect the estate, in cases where a prudent man could be justified in employing an agent, and to be credited in his accounts for expenses so incurred, *e.g.*, executors may employ a collector to collect the weekly rents of several houses, or if there are assets in India, the executor may instruct an agent to collect them at the expense of the estate, or if the accounts of the estate are difficult and complicated, an accountant may properly be employed to assist.

An executor may, in proper cases, employ and pay out of the assets a solicitor to transact the testator's affairs, but he will not be allowed the charges of his solicitor for doing what the executor ought to do himself. And so a solicitor, who is executor, and under the will is entitled to charge for his services as solicitor, can only charge for services properly professional, and not for services which any non-professional executor ought to do himself, such as attending to pay premiums on policies, or to make transfers, and the like.

Where executors have borrowed or advanced money out of their own pockets for the purpose of paying the debts of their testator which carry interest, or the debts of unfortunate creditors who threaten litigation, they are entitled not only to be paid in full out of the assets in preference to the creditors but also to be allowed interest for the money so borrowed or advanced. Where, however, an executor receives money to which he is not entitled, and pays it away to creditors, he will be liable to refund it.

In taking any account directed by any order or judgment of the court, all just allowances are now to be made without any direction for that purpose. Accounts on the basis of wilful default are not made on the ordinary administration judgment, but if wilful default is charged and evidence adduced, accounts and inquiries on that footing may be ordered at any stage of a suit. (See EXECUTORS, EXECUTOR'S ACCOUNTS.)

**EXECUTORSHIP ACCOUNTS.**—Efforts have been made on various occasions to compel all trustees (which term includes executors) to keep proper accounts recording their dealings, but, unfortunately, the congestion of public business has prevented a Bill (which did once pass the Lords) from being introduced into the House of Commons, and consequently the subject was dropped. There can be little doubt that eventually legislation will be effected with the above object, but quite apart from the question of compulsion in the matter it is extremely desirable that executors should keep, or

have kept on their behalf, accurate accounts to fully record their transactions, inasmuch as they may be called upon at any time by the court to bring in accounts, if an application by an interested party is made to that effect.

The first duty which is usually to be performed by an executor after the death of his testator is to take out probate, that is, to obtain from the Probate Division of the High Court of Justice a legal authority to act as the personal representative of the deceased person. Probate will not be granted until estate duty has been paid, and this cannot be done until the executor has had prepared the estate duty account for the Inland Revenue authorities, and agreed with them the amount of the duty. The forms on which the estate duty account is prepared vary according to whether or not the deceased had any interests in settled property, and whether there is personal property only, or real and personal, and also whether or not the gross value of the estate exceeds £500, but the object is in all cases practically the same, *viz.* To show (1) the estimated value of the property which "passes" by reason of the death of the deceased; and (2) full particulars and the estimated values of the real and personal estate of which the deceased was competent to dispose, together with details of debts, funeral expenses, and encumbrances. The household goods, pictures, jewellery, etc., and freehold and leasehold properties, ships and shares of ships, must all be valued by competent valuers and the valuations annexed to the account. Stocks and shares must be included at the published quotations at the date of death, or the values placed upon them supported by bankers' certificates or letters from the secretaries of the companies. Where there is a published quotation, a price one-quarter up from the lower to the higher of the official closing prices should be adopted as an estimated price, and where the death occurred on a day for which no prices are available, the price for the day before should be taken. If the deceased was the sole proprietor of a business, the various assets and liabilities must be shown in the account under the several appropriate headings, but if he was a partner in a firm his share in the real and personal property of the firm is to be stated, and supported by a balance sheet signed by the surviving partners.

The debts, encumbrances on real estate, and funeral expenses which are allowed as deductions from the gross value of the estate are all to be scheduled, and then a summary of the whole is prepared showing the total net value of the estate, and thus fixing the appropriate rate of estate duty.

The estate duty is a graduated stamp duty, which increases with the net value of the estate which passes on the death, and is payable at the following rates—

Principal Value of the Estate		Rate per cent
Not above	£100	0
Above	£100, but not above £500	1
"	£500	2
"	£1,000	3
"	£5,000	4
"	£10,000	5
"	£20,000	6
"	£40,000	7
"	£70,000	8
"	£100,000	9
"	£150,000	10
"	£200,000	11

charged to their personal accounts, such accounts being periodically credited with transfers from the income account of the estate

When the time arrives for dividing the corpus of the estate, the balance of the estate account, after realisation or re-valuation of the assets, is transferred to the credit of the accounts of the parties interested in their proper proportions, and then such accounts are met by payments of cash or the transference of investments

A short set of accounts is shown later, but, before dealing with them, a few other matters should be noted

In cases where there is the slightest doubt as to the solvency of the estate, the executor should be careful that the debts of the deceased are paid in their proper order, which is as follows—

- 1 Funeral expenses
- 2 Testamentary and executorship expenses.
- 3 Debts due to the Crown
- 4 Debts having statutory priority
- 5 Judgments recovered against the deceased and recognisances
- 6 Specialty and simple contract debts
- 7 Debts due on voluntary bonds

A payment by an executor of a debt of lower degree than others which are still unpaid is looked upon as an admission of assets to meet those other debts (and the executor incurs personal liability therefor), but as between creditors of equal degree an executor may prefer one to another. He also has the right to retain out of the assets a debt due to himself from the deceased as against other creditors of the same degree

The above order for payment of debts and rights of preference and retainer do not apply to the application of any equitable assets of the estate, out of which all debts are payable rateably

If, after providing for the payment of the debts, the estate is insufficient to pay in full all the bequests and devises indicated by the will, the assets must be marshalled and applied to the payment of the debts in the following order—

- 1 The residue of the general personal estate
- 2 Real estate specifically devised for the payment of debts
- 3 Real estate not devised or of which the devise has lapsed
- 4 Real or personal estate specifically devised or bequeathed, subject to the payment of debts
- 5 General pecuniary legacies
- 6 Real estate devised specifically or by way of residue, and personal estate specifically bequeathed, but not charged with the payment of debts
- 7 Property over which the deceased had exercised by will a general power of appointment
- 8 The paraphernalia of the widow

In addition to the estate and settlement estate duty previously referred to, the real property and leaseholds are subject to a further duty called succession duty, and the personal estate (except leaseholds) to legacy duty. The rates of the succession and legacy duties are the same, and vary with the relationship between the deceased and the beneficiary, being as follows—

	<i>Per cent</i>
Husband, wife, lineal ascendants and descendants	1
Brothers and sisters and their descendants	5
Other relations and strangers in blood	10

but the 1 per cent duty is not payable—

(a) if the principal value of the whole estate for estate duty does not exceed £15,000; or

(b) if the beneficiary does not derive from the estate a total benefit in excess of £1,000, or

(c) if the beneficiary is the widow of the deceased, or a child under twenty-one years of age, and does not derive from the estate a total benefit in excess of £2,000

If the husband or wife of a legatee or a devisee is of nearer relationship to the testator than such beneficiary, the duty is only payable at the rate applicable for the beneficiary's husband or wife

The executor is the person accountable to the Inland Revenue authorities for the legacy duty. On paying the legacy to the legatee, he should deduct the amount of the duty (unless the legacy is bequeathed free of duty) and take a receipt on the proper form. He must then pay the duty to the authorities within twenty-one days, otherwise interest will run and he will also become liable to penalties. When the residue of the estate is being divided, the executor must have a proper residuary account prepared for the authorities in all cases where the person taking the residue is liable to legacy duty, for the purpose of enabling the duty payable to be correctly assessed

In choosing investments an executor must only invest in those securities which are authorised by the will, or, in the absence of such directions, by the law. Amongst those authorised by law are—

- 1 Government securities of the United Kingdom or India
- 2 Securities of which the interest is guaranteed by Parliament
- 3 Stock of the Bank of England or Bank of Ireland
- 4 Preference, guaranteed, debenture, or rent charge stock of British railways, which have paid a dividend of at least 3 per cent on the ordinary stock for each of the last ten years
- 5 Preference, guaranteed, or debenture stock of British water companies which have paid a dividend of at least 5 per cent on the ordinary stock for each of the last ten years
- 6 Indian railway debenture stock, the interest on which is guaranteed by the Indian Government.
- 7 Stock of any municipal borough of over 50,000 inhabitants

8 Stock of any county council issued under Act of Parliament

9 Colonial stocks as to which certain conditions have been observed

10 Mortgages on freehold property not in excess of two-thirds of the value of such property

11 Stocks authorised for the investment of money under the control of the High Court

A trustee must never acquire a redeemable stock at a premium in excess of 15 per cent of its redeemable price, and if a stock is redeemable within fifteen years he must not acquire it at a price in excess of its redeemable price

To illustrate several of the principles involved in the preparation of executorship and trust accounts, we will assume that Mr Peter Street died on October 15th, 1909, and that his will provided for—

- 1 Bequests of £100 each, free of duty, to Mr. Arthur Street and Mr. Bernard Street, his brothers, who were appointed executors
- 2 Bequest of the household furniture to his widow, Mrs. Mary Street, absolutely.
- 3 Bequest of £200 to his widow to be paid as soon as possible.





CASH

	Income	Capital
	<i>L s d</i>	<i>L s d</i>
To Estate Account— Cash in the house at death Cash at Bank at death Royal Assurance Society amount of Policy and Bonus additions Freehold House Net Proceeds of Sale Bank Interest allowed	£ <i>s</i> <i>d</i>  15       0     0 680   3     6 800   0     0 1,625   0     0	
" West British Railway 1% De- venture Stock ½ year's Interest to December 31st, 1909, less Income Tax, on £6,000 Stock, £113 0 0	17     5     9	65 14 ¾
Cash at 107 days Interest to January 5th, 1910, less Income Tax, on £2,000 Stock, £11 15 5	10    10    10	1   5   7
Cash at 82 days City Engineering Co Limited Shares, Final Dividend on 1,000 £1 Shares at 10% per annum, less Income Tax for the half-year to December 31st, 1909, making (with the Interim Dividend, paid August 20th; 1909), 8% for the year £47 2 6		
Capital—288 days (of £80) £63 2 6 Less Income Tax at 13 34d 3 10 ¼		
Less Interim Divi- dend " 28 7 6"		
Forward	58 11 1	3 188 8 0

CONTR 1

	Income	Capital
	£ s d	£ s d
By Testamentary Expenses, Commissioners of Inland Revenue for Estate Duty— Personal Property on £12,935 7s 5d at 5%, Interest at 3% per annum from Oct 16th to Nov 12th, 1909—28 days	£648 15 4	
Real Property on £1,500 at 5%	75 0 0	
	<u>£723 5 1</u>	
Capital—Estate Duty	14	721 15 4
Income—Interest on Duty	14	1 9 9
Sundry Persons for debts owing by the deceased at death	11	
Funeral Expenses	12	197 0 0
Mrs Mary Street, Legacy	15	55 0 0
Arthur Street, Legacy	15	200 0 0
Bernard Street, Legacy	15	100 0 0
Local Hospital, Legacy	15	100 0 0
Less Legacy Duty	15	270 0 0
Legacies Account Commissioners of Inland Revenue for Legacy Duty as follows— Arthur Street, 5% on £100		
Bernard Street, 5% on £100		
Local Hospital, 10% on £300		
Testamentary Expenses, Solicitor's Costs and Out-of-Pocket Expenses, Proving Wills, etc	15	10 0 0
Forward ..	14	47 0 0
		<u>1 9 9 1 730 15 4</u>

CONTRA

	Income	Capital
	£	£
1909		
Nov 20	By Testamentary Expenses, Commissioners of Inland Revenue for Estate Duty— Personal Property on £12,935 7s 5d at 5% £646 15 4 Interest at 3% per annum from Oct 16th to Nov 12th, 1909—28 days 1 9 9  Real Property on £1,500 at 5% 75 0 0  £723 5 1	
	14	721 15 4
	14	1 9 9
" 30	Capital—Estate Duty Income—Interest on Duty Sundry Persons for debts owing by the deceased at death Funeral Expenses " Mrs Mary Street, Legacy " Arthur Street, Legacy " Bernard Street, Legacy " Local Hospital, Legacy £300 0 0 Less Legacy Duty 30 0 0	197 0 0 55 0 0 200 0 0 100 0 0 100 0 0
" 22		
" "		
" "		
" 30	Legacies Account, Commissioners of Inland Revenue for Legacy Duty as follows— Arthur Street, 5% on £100 £5 0 0 Bernard Street, 5% on £100 5 0 0 Local Hospital, 10% on £300 30 0 0	270 0 0
	15	
1910		
Feb 28	Testamentary Expenses, Solicitor's Costs and Out-of-Pocket Expenses, Proving Wills, etc  Forward	40 0 0 47 0 0 1,730 15 4
	14	1 9 9

## CASH

[illegible]

CONTRA.

			Income	Capital
			£ s d.	£ s d.
1910 Oct 25	By Manchester Corporation 3% Stock Purchase of £2,300 Stock at 86 . . . £1,978 0 0			
	Add Commission & Stamps 13 10 0	5		1,991 10 0
1911 Jan 16	" Mrs Mary Street, Income Account 18		147 1 8	
April 15	" Mrs Mary Street, Income Account 18		65 8 11	
Aug 4	" Executorship Expenses, Solicitor's Charges— To June 20th, 1911 £4 14 6 After June 20, 1911 11 11 0	16	4 14 6	11 11 0
	Forward . . .		217 5 1	2,003 1 0

CASH

Dr.

		Incomes	Income	Capital
		f	s d 20 0 0 1 2 6	f s d 1,990 4 1
1910	To Balances brought forward	13		
Oct 15	" Bank Interest allowed			
Dec. 31				
1911				
Jan 2	" West British Railway 4% De- venture Stock, $\frac{1}{2}$ year's Interest to December 31st, 1910, less Income Tax, on £6,000 Stock	6	113 0 0	
" 5	" Consolidated 2½% Stock, $\frac{1}{2}$ yr's Interest to January 5th, 1911, less Income Tax, on £2,000 Stock	3	11 15 5	
" "	" India 3% Stock, $\frac{1}{2}$ year's In- terest to January 5th, 1911, less Income Tax, on £3,000 Stock	4	21 3 9	
Feb 1	" Manchester Corporation 3% Stock, $\frac{1}{2}$ year's Interest to January 31st, 1911, less In- come Tax, on £2,300 Stock	5	32 9 9	
April 5	" Consolidated 2¼% Stock, $\frac{1}{2}$ yr's Interest to April 5th, 1911, less Income Tax, on £2,000 Stock	3	11 15 5	
" "	" India 3% Stock, $\frac{1}{2}$ year's In- terest to April 5th, 1911, less Income Tax, on £3,000 Stock.	4	21 3 9	
June 20	" Bank Interest allowed .	13	3 3	
July 1	" West British Railway 4% De- venture Stock, $\frac{1}{2}$ year's In- terest to June 30th, 1911, less Income Tax, on £6,000 Stock.	6	113 0 0	
" 5	" Consolidated 2¼% Stock, $\frac{1}{2}$ yr's Interest to July 5th, 1911, less Income Tax, on £2,000 Stock	3	11 15 5	
" "	" India 3% Stock, $\frac{1}{2}$ year's In- terest to July 5th, 1911, less Income Tax, on £3,000 Stock	4	21 3 9	
	Forward		378 13 0	1,990 4 1

CONTRA

	Income		Capital	
	£	s d	£	s d
By Manchester Corporation 3% Stock Purchase of £2,300 Stock at 86	£1,978	0 0		
Add Commission & Stamps	13	10 0	1,991	10 0
	5			
Mrs Mary Street, Income Account	18	1 8		
Mrs Mary Street, Income Account	18	65 8 11		
Executorship Expenses, Solicitor's Charges— To June 20th, 1911	£4	14 6		
After June 20, 1911	16	4 14 6	11	11 0
Forward .			217	5 1
			2,003	1 0

## CASH

				Income		Capital	
				£	s d	£	s d
Dr							
1910							
Oct 15	To Balances brought forward			20	0 0	1,990	4 1
Dec 31	" Bank Interest allowed	13		1	2 6		
1911							
Jan 2	" West British Railway 4% De- venture Stock, ½ year's Interest to December 31st, 1910, less Income Tax, on £6,000 Stock	6		113	0 0		
" 5	" Consolidated 2½% Stock, ½ yr's Interest to January 5th, 1911, less Income Tax, on £2,000 Stock	3		11	15 5		
" "	" India 3% Stock, ½ year's In- terest to January 5th, 1911, less Income Tax, on £3,000 Stock	4		21	3 9		
Feb 1	" Manchester Corporation 3% Stock, ½ year's Interest to January 31st, 1911, less In- come Tax, on £2,300 Stock	5		32	9 9		
April 5	" Consolidated 2½% Stock, ½ yr's Interest to April 5th, 1911, less Income Tax, on £2,000 Stock	3		11	15 5		
" "	" India 3% Stock, ½ year's In- terest to April 5th, 1911, less Income Tax, on £3,000 Stock	4		21	3 9		
June 20	" Bank Interest allowed	13			3 3		
July 1	" West British Railway 4% De- venture Stock, ½ year's In- terest to June 30th, 1911, less Income Tax, on £6,000 Stock	6		113	0 0		
" 5	" Consolidated 2½% Stock, ½ yr's Interest to July 5th, 1911, less Income Tax, on £2,000 Stock	3		11	15 5		
" "	" India 3% Stock, ½ year's In- terest to July 5th, 1911, less Income Tax, on £3,000 Stock	4		21	3 9		
	Forward			378	13 0	1,990	4 1











[illegible][illegible]

(ACCOUNT NO 19) Cr.

[illegible]

(Account No 20) Cr.

[illegible]

(As Account No 21) Cr.

[illegible]

Age	Male	Female	Age	Male	Female
35	29 24	31 52	88	2 89	3 21
36	28 50	30 77	89	2 73	3 04
37	27 77	30 02	90	2 58	2 87
38	27 05	29 28	91	2 43	2 73
39	26 34	28 54	92	2 30	2 59
40	25 64	27 82	93	2 17	2 46
41	24 94	27 09	94	2 06	2 34
42	24 25	26 37	95	1 95	2 23
43	23 56	25 64	96	1 85	2 13
44	22 88	24 92	97	1 75	2 04
45	22 20	24 20	98	1 67	1 96
46	21 52	23 48	99	1 58	1 88
47	20 86	22 76	100	1 51	1 81
48	20 20	22 05	101	1 44	1 74
49	19 54	21 35	102	1 36	1 68
50	18 90	20 64	103	1 28	1 62
51	18 26	19 95	104	1 18	1 56
52	17 63	19 26	105	1 02	1 48

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Age	Male	Female	Age	Male	Female
35	29 24	31 52	88	2 89	3 21
36	28 50	30 77	89	2 73	3 04
37	27 77	30 02	90	2 58	2 87
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39	26 34	28 54	92	2 30	2 59
40	25 64	27 82	93	2 17	2 46
41	24 94	27 09	94	2 06	2 34
42	24 25	26 37	95	1 95	2 23
43	23 56	25 64	96	1 85	2 13
44	22 88	24 92	97	1 75	2 04
45	22 20	24 20	98	1 67	1 96
46	21 52	23 48	99	1 58	1 88
47	20 86	22 76	100	1 51	1 81
48	20 20	22 05	101	1 44	1 74
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Exports in	1908	1909	1910
Apparel, waterproofed and not waterproofed .. .	£ 5,016,387	£ 5,645,539	£ 7,410,772
Boots and Shoes of Leather and Caoutchouc .. .	2,334,141	2,572,052	3,306,267
Hats and Bonnets, trimmed and untrimmed .. .	1,502,247	1,606,534	2,000,065
Chemicals, Drugs, Dyes and Colours .. .	16,721,089	16,783,019	18,571,989
Leather and manufactures thereof (including Gloves, but excluding Boots and Shoes) .. .	3,826,258	4,242,356	4,688,276
Earthenware and Glass .. .	3,700,037	3,687,249	4,349,109
Paper for writing, printing, packing, wrapping, etc .. .	2,314,967	2,559,371	3,118,573
Railway Carriages, Trucks, and Wagons; Cycles, Motor Cars, Chassis, Motor Cycles, and parts .. .	6,429,450	6,163,770	7,453,329
Miscellaneous— Arms, Ammunition, and Military Stores, Printed Books, Bags and Sacks (empty), Bricks and Tiles of brick earth, Brooms and Brushes, Candles, Cement, Cordage, Glue, Belting (other than of leather), Musical Instruments, Oil- cloth, Oil Seed Cake, Paraffin Wax, Skins and Furs, Soap, Stationery other than Paper, Toys and Games, Umbrellas, etc .. .	17,667,082	18,836,608	22,021,544
Miscellaneous · Animals— Cattle, Sheep and Lambs, Swine, Horses, Animals of other kinds not for food .. .	6,058,139	6,929,981	8,115,791
Total Value of Exports, the produce and manufacture of the United Kingdom .. .	377,103,824	378,180,347	430,589,811
Total Value of Exports of Foreign and Colonial Merchandise from Great Britain .. .	79,623,697	91,344,819	103,776,104
Total Exports for the year ended December 31st .. .	456,727,521	469,525,166	534,365,915

We will now proceed to a survey of the countries to which goods are shipped, giving in each instance the most important We send—

Bacon and Hams .. .	to British South Africa and many other countries
Beer and Ale .. .	{ Egypt, U S A, British South Africa, Ceylon, British India, Straits Settlements, Australia, New Zealand, British West India Islands
Biscuits and Cakes, Sauces or Condiments, Pickles and Provisions .. .	{ All over the world.
Fish, cured or salted .. .	Russia, Germany
Salt .. .	{ Germany, Belgium, U S A, British East Indies, Australia, New Zealand, Canada.
Spirits .. .	{ Germany, Netherlands, Foreign West Africa, U S A, British West Africa, British South Africa, British East Indies, Australia, Canada, and New Zealand
Sugar, refined, and Candy .. .	Norway, Denmark, Netherlands, Belgium, Portugal, Italy
Confectionery and Jams, Tobacco and Snuff .. .	All over the world
Coal, Coke, and Manufactured Fuel .. .	{ Russia, Sweden, Norway, Denmark, Germany, Netherlands, Belgium, France, Portugal, Spain, Italy, Austria-Hungary, Greece, Turkey, Egypt, Algeria, South American States, Gibraltar, Malta, British South Africa, British India, Ceylon
Iron or Steel (old) .. .	Italy, China, U S A, Canada
Wool .. .	Germany, Netherlands, Belgium, France, Canada, U S A.
Seed Oils .. .	{ Germany, Netherlands, Belgium, Austria-Hungary, Egypt, Brazil, British India, Straits Settlements, Ceylon, Australia, Canada
Skins and Furs (undressed) .. .	France, U S A
Pig Iron .. .	{ Sweden, Germany, Netherlands, Belgium, France, Italy, Japan, U S A, British East Indies, Australia, Canada.



Yarn, Alpaca, and Mohair . . . .	Germany, Russia, France, Belgium
Woollen and Worsted Tissues . . . .	Sweden, Norway, Denmark, Germany, Netherlands, Belgium, France, Portugal, Spain, Italy, Greece, Turkey, Egypt, China, Japan, U S A , South America, Australia, Canada, British South Africa, British East Indies, New Zealand
Carpets and Rugs . . . .	Germany, Netherlands, Belgium, France, Spain, U S A , Chile, Argentine Republic, Australia, New Zealand, Canada
Spun Silk Yarn . . . .	U S A , Germany, France, Netherlands
Silk Stuffs . . . .	France, U S A , Australia, Canada, China, Japan.
Silk Lace and Articles thereof . . . .	France, U S A., Canada
Haberdashery and Millinery, including Embroidery . . . .	Germany, Belgium, France, U S A , British South Africa, Canada, British East Indies, Australia, New Zealand, British West India Islands
Jute Yarn . . . .	Germany, Spain, U S A , Brazil.
Jute Piece Goods . . . .	U S A , Argentine Republic, Germany, France, Brazil, Australia, New Zealand, Canada
Linen Yarn . . . .	Germany, Belgium, Netherlands, France, Spain, Italy, U S A
Linen Piece Goods . . . .	U S A , Germany, France, Spain, Italy, Philippine Islands, South America, British East Indies, Australia, New Zealand, Canada, British West India Islands, British South Africa
Waterproofed Garments, and Clothing not waterproofed . . . .	France, U S A , British South Africa, British East Indies, Canada, British West India Islands, Australia, New Zealand, Newfoundland.
Boots and Shoes . . . .	British South Africa, France, British East Indies, Australia, New Zealand, British West India Islands.
Bleaching Materials . . . .	Principally U S A
Manures . . . .	Germany, Belgium, France, Spain, British West India Islands
Leather and Manufactures thereof . . . .	Germany, Netherlands, Belgium, France, U S A , Canada, Central and South America, British South Africa, Australia, British East Indies, New Zealand
Earthenware, Glass, Chinaware, and Porcelain . . . .	Germany, France, U S A , Brazil, Argentine, Australia, Canada, British South Africa, British East Indies, New Zealand
Paper . . . .	France, U S A., British South Africa, British India, Ceylon, Straits Settlements, Australia, New Zealand, Canada
Railway Carriages, Motor Cars, Cycles, etc	All over the world
Empty Bags and Sacks . . . .	Russia, Germany, Turkey, U S A , Argentine Republic, Australia, British West India Islands
Candles . . . .	All over the world
Cement . . . .	Netherlands, U S A., Brazil, Argentine, British South Africa, British East Indies, Australia, New Zealand, Canada
Oil Cloth . . . .	All over the world.
Stationery Sundries other than Paper . . . .	Germany, France, U S A , British India, Straits Settlements, Ceylon, Australia, New Zealand, Canada
Skins and Furs . . . .	France, U S A.
Soap . . . .	Principally to China, British South Africa, British East Indies; also to other foreign countries and British possessions
<i>Living Animals for Breeding—</i>	
Cattle . . . .	U S A , Uruguay, Argentine Republic, Channel Islands, Australia, Canada.
Sheep and Lambs . . . .	Germany, U S A , Uruguay, Argentine Republic, Australia, New Zealand, Canada
Horses . . . .	Netherlands, Belgium, France.

business community are also needed in handling the traffic, and capacious and costly vaults must be at hand in which to store the more valuable articles. The conduct of the express business by companies organised for the purpose is a tacit acknowledgment on the part of other carriers that the former are able to do the business with exceptional economy and efficiency. The measure of success that characterises the conduct of the express business by separate organisations is, however, directly dependent upon the goodwill and co-operation of the companies owning the lines over which they operate, and while the latter cannot, perhaps, exclude the express lines, still there is nothing to prevent them carrying on the business independently if they see fit, and the fact that this is so places the express companies at their mercy. The basis upon which the express companies do business with the railroad companies varies upon different roads according to the extent and character of the business done. Upon the bulk of the lines there is a minimum rate per day for a stipulated amount of traffic, and when the amount of business it provides for is exceeded, an additional charge is made by the railroad companies. The principal express companies in the United States touch at all the great commercial centres, and are thus able individually to do most of the business that is offered them without the intervention or co-operation of other organisations. This fact adds greatly to the security and convenience they offer the public, as in the event of loss or damage settlements can be made without reference to other companies.

Were the express companies dissolved, the railway lines could not supply the needs of the public. There is an interval between the act of transportation and the demands of the public which railway companies do not fill, and were not organised to fill, and which renders the express so essential to the general welfare of the community. The express, in its turn, is among the most efficient supporters of the railway systems. At a low estimate, the routes of the express now cover 200,000 miles of railroad, steamboat, and stage lines, the number of packages of merchandise annually carried is over 100,000,000, the number of money packages transported is 20,000,000. It employs 50,000 men at 40,000 agencies.

**EX-SHIP.**—The meaning of this term is that goods are sold free out of the ship, the purchaser providing the means of removal, and the responsibility of the vendor ending as soon as the goods leave the ship's side.

**EXTRACT OF MEAT.**—The nutritious elements of animal food condensed into a small bulk. The extract is prepared by chopping the meat and heating it in water until one-eighth of it is dissolved. The liquid is then condensed, and the extract preserved in hermetically-sealed vessels. A large trade is carried on in this article in England, Germany, and South America.

**EXTRADITION.**—No country, in the ordinary course of things, ever took the trouble to inquire into the circumstances connected with a criminal offence committed in another country. But by international comity this state of affairs has been completely changed, and the practice of extradition has grown up, which may be described as the handing over of a prisoner accused of crime by the government of the country in which the alleged criminal has taken refuge to the government of the country within whose jurisdiction the crime has

been committed, in order that he may be dealt with according to the laws of that country. Crime is essentially local, and every person who resides within a particular territory, whether he is a native or an alien, is subject to the criminal law of the State. But, as stated above, no country will undertake the prosecution and punishment of a criminal for any offence not committed within its own territory.

Extradition is entirely regulated by treaty, and there are now treaties existing between the majority of civilised States by which the contracting nations agree to give up fugitives from justice found within their territories, if they are charged with certain specified offences, and provided that the proper proceedings are taken. In the absence of any treaty, there is no obligation imposed by international law (*q v*) that a State shall surrender a fugitive criminal, but this is frequently done as a matter of courtesy and comity by friendly nations without treaty. The English procedure is regulated by three Acts of Parliament, passed in 1870, 1873, and 1895 respectively, and the King is empowered by Order in Council (*q v*) to make these rules applicable to any foreign State with which an arrangement is made. The arrangement or treaty, however, unlike other treaties, must be submitted for the approval of Parliament.

The practice of different countries varies, and it is only possible to state here what is the customary form of procedure when a person who is charged with a crime alleged to have been committed in another country is found within the United Kingdom. A diplomatic representative of the foreign country applies to the Home Secretary for his surrender. The Home Secretary then inquires whether the crime is of a political character, *i.e.*, one which is incidental to and forms a part of a political disturbance. If it is, no order will be made, but if it is an offence covered by the extradition treaty in existence, the Home Secretary sends an order to a magistrate or a justice of the peace to issue a warrant of arrest. The prisoner is then brought before the magistrate or the justices, and a *prima facie* case being made out against him, an order is made for his extradition. Fifteen days are allowed within which the prisoner may appeal, but at the end of that time, if he does not appeal, or if his appeal fails, he is handed over to a duly authorised person of the foreign State applying for his extradition by an order under the hand and seal of the Home Secretary. The person surrendered can only be tried for the offence for which he has been extradited. Moreover, no order for extradition will be made if the prisoner is charged with a criminal offence committed within the jurisdiction of the English courts, until he has been tried here and acquitted, or has served his sentence.

At one time it was necessary that the preliminary inquiry should take place at the Bow Street police-court, but now, by the Act of 1895, the proceedings may take place at the police-court of the district in which the arrest is made.

**EXTRAORDINARY MEETING.**—(See MEETINGS.)

**EXTRAORDINARY RESOLUTION.**—In a general way, when a joint stock company meeting is held, resolutions are submitted to the meeting, and a vote is taken upon them by a show of hands. These are the resolutions which deal with the ordinary business of the company, and they are known as "ordinary" resolutions. They are carried by a mere majority. What may be included in

F.—This letter occurs in the following abbreviations—

F,	Franc
F A A,	Free of all average
F A S,	Free alongside ship
F G A,	Free of general average
F O B,	Free on board
F P,	Fire policy
F p,	Fully paid
F P A,	Free of particular average
F i Fa,	Fieri facias ( <i>q v</i> )
F o, F o l,	Toho

**FACE VALUE.**—The nominal value of stocks or shares which appears written or printed upon the face of the certificate for the same. The face value is frequently quite different from the market or selling value of the security, which may be either higher or lower than the face value, i.e., at a premium or at a discount.

**FACTOR.**—A factor is a mercantile agent, who, in the ordinary course of his business, is entrusted with possession of goods or of the documents of title thereto. A mercantile agent is an agent (see *AGENCY*) who, in the ordinary course of his business as an agent, has authority from his principal to sell goods, or to consign goods for the purposes of sale, or to buy goods, or to raise money on the security of goods. The difference between a factor and a broker (both being mercantile agents) is that the factor has the possession of the goods he is to sell for his principal, while the broker has not, and in some other respects the authority of a factor is somewhat wider than that of a broker. A factor carries on business as such in his own name, and not necessarily in that of the principal. Sometimes an agent, with the general authority of a factor, is employed to take a cargo of goods abroad and dispose of it to the best advantage; in such a case he is called a supercargo. The authority of a factor, like that of all agents, may, of course, be expressly limited by the contract under which he is employed, but unless such limitation is communicated to or otherwise comes to the knowledge of parties dealing with the factor as such, they are entitled to assume that the factor has all the rights and powers usually given to such an agent by the usage of the particular trade, and, further, that the rights and powers expressly conferred upon mercantile agents by the Factors Act, 1889 (*q v*), can be exercised by the particular factor. A factor is generally paid by a commission, or, as it is sometimes termed, factorage, on the amount of business transacted by him on behalf of his principal, the rate being fixed by agreement or by the usage of the trade or business. He has a lien (*q v*) upon the goods in his possession, as security for payment of his remuneration and charges. (See *FACTORS ACT*.)

**FACTORIES AND WORKSHOPS.**—This article will define factories and workshops as described in the Factory and Workshop Act, 1901 (*q v*). A textile factory is a place within which steam,

water, or other mechanical power is used to work machinery for manufacturing or finishing cotton, wool, hair, silk, flax, hemp, jute, tow, china grass, coconut fibre, or other like material. A non-textile factory is any one of the following works: Warehouses, furnaces, mills, or foundries, earthenware works, lucifer match works, percussion cap works, cartridge works, paper staining works, fustian cutting works, blast furnaces, copper mills, iron mills, foundries, metal and indiarubber works, paper mills, glass works, tobacco factories, letterpress printing works, bookbinding works, flax scutch mills, electrical stations, print works, bleaching and dyeing works, hat works, rope works, bakehouses, lace warehouses, shipbuilding yards, quarries, pit banks, dry cleaning and carpet beating, and bottle-washing works.

All the above-named are non-textile factories within the meaning of the Act, if steam, water, or other mechanical power is used in aid of the manufacturing process there carried on. The following are also non-textile factories: Any place wherein manual labour is exercised by way of trade for gain: (1) for the making of any article, or part of an article, (2) altering, repairing, ornamenting, or finishing an article, (3) adapting any article for sale. It is essential that steam, water, or other mechanical power shall be used in aid of the manufacture.

The word factory simply means either a textile factory or a non-textile factory. A tenement factory is a place where mechanical power is supplied to different parts of the same building, occupied by different persons or firms for the purpose of any manufacturing process or handicraft. Each part of the building is, in law, a separate factory.

A workshop is any place or premises named in Part II of the sixth schedule of the Act, which is not a factory. For the reader's information, these words must be repeated so that the reader may interpret the Act for himself—

"The manufacture of hats, rope, bread, lace warehouses, shipbuilding yards, quarries, pit banks, dry cleaning, carpet beating, and bottle-washing. A workshop is also any premises, room, or place not being a factory, wherein manual labour is exercised for gain, for (1) the making an article, or the part of an article, (2) altering, repairing, ornamenting, or finishing an article, (3) adapting an article for sale. The employer of the persons working in the workshop must have the right of access or control of the premises, to constitute the same a workshop. The term workshop includes a tenement workshop.

"A tenement workshop is any work-place in which, with the permission of, or under agreement with, the owner or occupier, two or more persons carry on their work therein. It may be illustrated as follows: A has a house in Bread Street, the house contains separate rooms, which A lets to B, C, D, E, etc., as separate workrooms. B, C, D, and E are all independent workmen

or other disposition thereof, or under any agreement for sale, pledge, or other disposition thereof, to any person receiving the same in good faith and without notice of the previous sale, shall have the same effect as if the person making the delivery or transfer were expressly authorised by the owner of the goods to make the same, (2) where a person having bought or agreed to buy goods, obtains with the consent of the seller possession of the goods or the documents of title to the goods, the delivery or transfer, by that person or by a mercantile agent acting for him, of the goods or documents of title, under any sale, pledge, or other disposition thereof, or under any agreement for sale, pledge, or other disposition thereof, to any person receiving the same in good faith and without notice of any lien or other right of the original seller in respect of the goods, shall have the same effect as if the person making the delivery or transfer were a mercantile agent in possession of the goods or documents of title with the consent of the owner; (3) where a document of title to goods has been lawfully transferred to a person as a buyer or owner of the goods, and that person transfers the document to a person who takes the document in good faith and for valuable consideration, the last-mentioned transfer shall have the same effect for defeating any vendor's lien or right of stoppage *in transitu* as the transfer of a bill of lading has for defeating the right of stoppage *in transitu* (*qv*)

The transfer of a document may be by indorsement, or, where the document is, by custom or by its express terms, transferable by delivery, or makes the goods deliverable to the bearer, then by delivery

Nothing in the Factors Act is to authorise an agent to exceed or depart from his authority as between himself and his principal, or exempt him from any liability, civil or criminal, for so doing; or to prevent the owner of goods from recovering the goods from an agent or his trustee in bankruptcy at any time before the sale or pledge thereof, or to prevent the owner of goods pledged by an agent from having the right to redeem the goods at any time before the sale thereof, on satisfying the claim for which the goods were pledged, and paying to the agent, if by him required, any money in respect of which the agent would by law be entitled to retain the goods or the documents of title thereto, or any of them, by way of lien as against the owner, or from recovering from any person with whom the goods have been pledged any balance of money remaining in his hands as the produce of the sale of the goods after deducting the amount of his lien, or to prevent the owner of goods sold by an agent from recovering from the buyer the price agreed to be paid for the same, or any part of that price, subject to any right of set off on the part the buyer against the agent

With regard to this right of set-off, the leading case of *George v Clagett* (7 Term Rep 359) decided that if goods are bought of a factor by a person who does not know that the ostensible seller is only a factor, and if the principal sues the buyer for the price, the latter may set-off (*qv*) against the principal's claim any claim he might have set-off against the factor had the action been brought by him. But if when the bargain was made the buyer knew that the ostensible seller was only a factor, or had means of acquiring such knowledge, of which he ought to have availed himself, then he cannot set-off a claim against the factor in an

action by the principal. Further, if the buyer knew that he was buying from a factor, but honestly believed that the factor was entitled to sell, and was selling to repay himself advances made by him for his principal, the buyer's right to set-off will not be lost

#### FACTORY AND WORKSHOP ACT, 1901.—

Factories and workshops must be conducted in accordance with the terms of the above Act (together with the Factory and Workshop Act, 1907, which is a short extending statute), or in accordance with Orders issued by a Secretary of State, who has power by statute to issue such Orders

**Health.** Every factory must be kept clean, there must be no bad smell arising from a defective drain, or a dirty water-closet or urinal. There must be no overcrowding so as to endanger the health of the persons engaged. The ventilation must be as perfect as possible. All walls and ceilings must be limewashed at least every fourteen months, and painted and varnished work must be washed with hot water and soap at the same periods. Special exceptions to this rule may be made by Special Order. If the premises are not kept as clean as the Act requires, they will be treated as a nuisance, and the owner will be fined accordingly. Where persons are working overtime in a room, 400 cub ft of air space must be allowed to each person, on all other occasions the allowance must be 250 cub ft. A notice must be exhibited in each room, stating the number of persons allowed in each room. Exceptions to the rule may be made by Special Order. Inspectors of factories are appointed, with large powers, for enforcing the Act. A proper temperature must be maintained in each room, and, in cases where ordered, thermometers must be fixed in suitable places. Power is given to the Secretary of State to establish a standard of sufficient ventilation. In those factories where the floors are constantly wet, means must be taken to provide effective drainage. There must be sufficient and suitable accommodation in the way of sanitary conveniences, and where both sexes are employed in the same building, the accommodation must be separate

**Safety.** The following machinery must be securely fenced: Hoists, teagles, fly-wheels, water-wheels, race-wheels, and all dangerous parts of the machinery. The fencing must be in an efficient state always. Steam boilers must have proper steam valves, steam gauges, and water gauges. The boilers must be thoroughly examined by a competent person every fourteen months. The report of the examination must be attached to the general register of the factory or workshop. The regulations as to self-acting machines are: No portion must run out over a space over which a person is liable to pass; no person must be allowed to be in the space between the fixed and the traversing parts of the machine, unless the machine is stopped. No woman, young person, or child must be allowed to work between the fixed and traversing parts whilst the machine is in motion. No child is allowed to clean any moving machinery driven by mechanical power. No young person must clean any dangerous moving machinery. No woman or young person must clean moving mill-gearing

Every factory and workshop employing more than forty persons must be provided with reasonable means of escape from fire. The district council must grant a certificate upon being satisfied that the Act is being obeyed. The district council is empowered to compel the owner or occupier to



rival fair is on a different day, but will be presumed if it is on the same day. In many cases, an action for disturbance depends on the construction of a particular statute, but it may be said generally that to sell in one's own shop, however large, is no disturbance. The right to a fair may be lost in several ways. Thus, it may be forfeited by non-uses or abuse, such as holding it on a day not authorised by the grant, it may be surrendered, or it may be extinguished by Act of Parliament. This last is the most usual mode, for the Fairs Act, 1871, authorises the Home Secretary to make an order, in certain circumstances, abolishing any fair held in England and Wales. Such an order can only be made with the consent of the owner, and after a representation by the owner, the district council, or (in London) the justices of the petty sessional district, that it will be for the convenience and advantage of the public that the fair be abolished. The formalities as to advertisement, etc., prescribed by the Act must be complied with.

**FAIR TRADE.**—In one very important sense, all trade, whether between individuals of the same community or between individuals of different communities, is "fair." It is of advantage to each party in the exchange, and every hindrance to the freest interchange of commodities results in a decrease of the wealth of the world. For with the exchange there is a gain in utility: each party gives what he wants less for what he wants more. Each party, therefore, gains in utility, though the total gain may be divided in very different proportions between the parties. To one person the "value" of the article he seeks may be only just superior to that of the thing which he is required to give in exchange. To another person the value of the article he obtains may far exceed that of its cost to him. To the man who, having abundance of time at his disposal, hesitates whether he should take a taxi-cab or walk to the station, the utility of the shilling he is required to pay as fare may be assumed to be about equal to the utility to him of a ride. To the man who has a limited period in which to make a journey on which much depends, the shilling is far less valuable—has much less "utility"—than the ride. The exchange results in a greater gain of utility in the second case, and the passenger gets a greater share of it than in the first, since to the driver the shilling from the man in a hurry is no more than equal to that from the man at leisure.

The value of an article depends on the intensity of the demand for it, and the intensity of demand means the number of people desirous of possessing the article and able to pay for it. Now, if a number of people are prevented—either by natural impediments, distance, lack of good roads and the like, or by artificial restrictions, prohibitions, or protective tariffs—from bidding for the article, its value is lessened. The wider the market the more chance a seller has of obtaining a remunerative price for his goods. As the market narrows, we must lower prices if we wish to sell the same amount of goods. Applied to international trade, the position comes to this: Our interest as a seller of goods is for the widest possible market and the freest entry therein; our interest as buyer is to be the sole purchaser of supplies from various sources. In both respects we were admirably placed about the middle of the nineteenth century. We manufactured for the world and our goods commanded high prices, the whole world contended for our custom in supplying

food and raw materials, and we obtained these cheaply—at a very small expense of our labour and capital. Obviously the freest trade was best for us: there was no question of any "sacrifice" in buying for the "privilege" of selling. Nowadays, though, we have many competitors who seek to supply the world's demand for manufactures; and, what is more serious than this for us, the outlets for our goods are being blocked by protective barriers. Our "seller's monopoly" is ended. And many others now draw their supplies from sources that were once exclusively at our disposal: we now, for instance, take only 25 per cent. of the United States cotton crop—the crop of which, in 1810, we had a "buyer's monopoly." Thus, our supplies cost more, because they are more in demand, and our goods sell for less, because more countries are supplying them. This being so, we need to reconsider our position.

Here, then, is the theoretical justification of the Fair Trader's attitude. The benefit of commerce does not consist in the commodities sold. A country produces an exportable article in excess of its own wants, not from the necessity of the case, but as the readiest and cheapest mode of supplying itself with other things. The real advantage of commerce consists in the imports, but since we must sell our commodities in order to obtain these imports, we must induce other nations to take our commodities in exchange. In proportion as the competition of other countries compels us to offer our commodities on cheaper terms, on pain of not selling them at all, we obtain our imports at greater cost; and in proportion as former markets are closed to us, we must either open others, or stimulate a greater demand for our goods by lowering prices in the markets we may still enter. The nature of the goods we have to offer gives us some advantage in the latter respect. For manufactured goods are usually such as are very "elastic" in demand; a slight fall in prices calls forth a greatly increased demand. But the limits of elasticity may well be reached before we have sold enough to pay for our food and raw materials. If, then, we cannot obtain the things we want by making cottons and hardware and the rest, we shall be obliged to divert our labour and capital to agriculture, but in this country we can hardly retrace the steps that have led us from a thinly-spread agricultural and pastoral community to a densely massed industrial people. In our pursuit of plenty we have ceased to ground our prosperity on the stable basis of land, and have founded it upon the fluctuating basis of trade. We get a great return for our labour; but it is at the cost of anxiety as to the disposal of our goods.

To put the matter in another way.—We must have imports: they must be paid for by exported articles, since we have no gold mines and not money enough in the country to pay for a quarter of the year's imports, but unless we can sell our goods in the best markets, we cannot procure our imports so well. Foreign protective duties do, to a great extent, prevent us from exchanging our goods on the best terms. The feelings of rival tradesmen still subsist, in great measure, in international relations. We find it difficult to appreciate the community of advantage which commercial nations derive from the prosperity of one another. The fact that in some respects interests are hostile is the more evident, and to restrict the market of a competitor appears a more eligible way of prosperity than to extend one's own

been introduced. The chief export is wool, with other sheep products, frozen mutton, hides, tallow. The chief imports are provisions, clothes, timber and building material, machinery, and nonmongery. There is practically no trade with any other country than the United Kingdom. The only town, *Port Stanley*, situated on a landlocked harbour in the north-east of East Falkland, with facilities for repairing of ships, is the seat of Government, and has a population of 800.

The islands are administered as a Crown colony. South Georgia is a dependency of the Falkland Islands.

(For map, see SOUTH AMERICA, page 72.)

Mails are sent to the Falkland Islands once a month, via Liverpool. The time of transit is about twenty-five days. Telegrams may be despatched to Monte Video (Uruguay) and then forwarded by post.

**FALSE IMPRISONMENT.**—This tort (*qv*) consists in confining or detaining a person without lawful authority. It is not necessary that the detention should be in a house or other building, it is sufficient if a person is hindered or prevented from exercising his rights of freedom in any way whatever. Again it is false imprisonment for any person to give another into the custody of a police constable upon a wrongful charge, and in certain cases when the alleged offence is a misdemeanour and not a felony, a private individual has no right, generally speaking, to give an offender into custody at all (See ARREST). In an action for false imprisonment, the plaintiff must prove his arrest and his discharge, and in order that the defendant may obtain a verdict in his favour, he (the defendant) must satisfy the court that he had reasonable and probable cause for believing that the plaintiff had committed a felony. In the article on ARREST it will be seen that a police constable is not in so difficult a position, as an officer on duty has the right to arrest on suspicion. Unless the case is very clear, a private person should be very careful in acting upon his own responsibility, for, although a jury may give practically no damages in the action when all the circumstances of the case are taken into consideration, there is always the risk of expense and annoyance attached to an action of this kind, which is often of a speculative character (See MALICIOUS PROSECUTION).

**FALSE PRETENCES.**—This is a misdemeanour (*qv*) very frequently met with, but one which is rather of a technical character and requires careful consideration, owing to the fact that a mistake in prosecuting a person for the alleged offence may result in an action for malicious prosecution (*qv*), and although in such an action the defendant may either be successful or escape with nominal damages, the expense and trouble caused by such a proceeding are not to be taken lightly in hand.

Roughly speaking, whosoever by any false pretence obtains from any person any chattel, money, or valuable security with intent to defraud, is guilty of an indictable misdemeanour, or with which justices of the peace, or a stipendiary magistrate (if it is thought fit and the defendant consents to such a course) may deal under certain conditions. The chief things taken into consideration are the value of the property obtained or the age of the accused person. It is not sufficient to prove the obtaining of the property, but it must be clearly shown that the transfer of the same was the actual result of the fraudulent representation

of an existing fact. To use the words of a well-known authority: "To constitute the crime in question (a) there must be an intentional and specific representation of some pretended existing fact (not a mere promise or representation as to the future, unless based upon or involving some existing fact) which the maker knows to be untrue, but the pretence need not be made in words—'act, conduct, or silence' may be enough, (b) the representation must be material to the matter in hand and not too remote, (c) it must be made with intent to defraud, and (d) the person to whom it is addressed must in point of fact believe it, and make over property on the strength of it. The opinion formed by the person defrauded as to the truth or otherwise of the statement made to him by the prisoner is, therefore, admissible as evidence of his belief in the truth of the false pretence. There must, of course, be evidence that the accused acted *fraudulently* as, e.g., if a man sells a brass ring as a gold ring, there must be evidence that he knew the ring was *not* a gold ring. The pretence need not be made *directly* to the person from whom the money, etc. is obtained. Thus, in one case, an officer of a friendly society made to the *secretary* a return of members entitled to sick pay, and wrongfully included the name of a man who was not so entitled. The same officer afterwards received, through the *treasurer*, the amount shown by the return, and retained it in discharge of a debt due to him from the man whose name he had fraudulently included in the return. A conviction for making a false pretence to the *treasurer* was upheld."

When a person is of opinion that he is being defrauded in this manner, he cannot order the summary arrest of the suspected person. He must lay an information at the proper police court, when either a summons or a warrant will be issued if there is a *prima facie* case made out to the satisfaction of the justices or the stipendiary magistrate.

An attempt to obtain by false pretences is also a punishable misdemeanour.

**FALSIFICATION OF ACCOUNTS.**—(See ACCOUNTS, FALSIFICATION OF.)

**FALSIFYING NEWS.**—The spreading of false news for the purpose of raising or depressing the prices of goods, wares, or merchandise is an indictable misdemeanour, and when this is done by two or more persons it forms what is known as a conspiracy, for which either criminal or civil proceedings may be taken. Although the words "goods, wares, or merchandise" do not, so far as the Sale of Goods Act, 1893, is concerned, include stocks and shares, they do include them as far as this offence is constituted.

**FAN.**—An implement used for creating a current of air. The article originated in China, where fan-making is still an important industry. Japan, which introduced the folding variety, also does a large trade in fans. The stick of ornamental fans may be of bone, mother-of-pearl, wood, tortoiseshell, or ivory, and costly materials of all sorts are employed for the upper part. These include feathers, silk, lace, delicate hand-painted fabrics, etc. The manufacture of the most dainty specimens is practically confined to Paris, which has long been noted for her achievements in this direction. The large fans used for ventilation and in various mechanical operations consist of metal blades, and the air is circulated by continuous rotation. In

occur, as fractions of a penny are not recognised Farthings were first coined in 1672. The standard weight of the coin is 43 75 grains troy. The coin is made of a mixed metal, composed of copper, tin, and zinc (See COINAGE)

**FASS.**—(See FOREIGN WEIGHTS AND MEASURES—GERMANY)

**FATHOM.**—This is the measure of length principally employed in ascertaining the depth of water and mines, and for regulating the length of cordage and cables. It is said to be derived from the Anglo-Saxon *fæðm*, a word which signified the length of the outstretched arms, about 6 ft

**FAVEN.**—(See FOREIGN WEIGHTS AND MEASURES—DENMARK)

**FAVOUR.**—This is a name which has now become commonly used in commercial correspondence to indicate a letter received

**FEATHERS.**—The feathers most favoured for purposes of ornamentation are those of the ostrich and the bird of paradise, but as these are expensive, many other varieties are in common use, including those of the albatross and the penguin. Feathers are also in great demand for cushions, pillows, etc. The eider-duck provides the best quality for this purpose, but the feathers of swans, geese, ducks, and fowls are also much used

**FEDDAN.**—(See FOREIGN WEIGHTS AND MEASURES—EGYPT)

**FEE.**—There are two senses in which this word is used. (1) To denote a grant of land made in return for ancient feudal services, and (2) to signify a recompense in return for services rendered or to be rendered

**FEE SIMPLE.**—Where a person is the absolute owner of an estate, as far as the law of England will allow, he is said to hold it in "fee simple," and he can practically do what he likes with it. If he dies intestate, it goes to his heir or heirs. A conveyance of a freehold to a purchaser in fee simple contains such words as "To hold unto and to the use of the purchaser (naming him) in fee simple," or, what has the same effect, "To the use of the purchaser, his heirs, and assigns for ever." Legally all land is held directly or indirectly from the King, but practically that does not affect the absolute ownership in a fee simple

The greatest interest which can be had in land is the fee simple, other interests, such as a life interest, or a lease, being estates less than the fee simple. The holder of a fee simple can create other estates out of it, but so long as he does not dispose of the fee simple, it remains vested in him. In the case of a lease, no matter for how long a period, the fee simple remains in the person who grants the lease, though the person who holds the lease or the assignment thereof has the legal estate in the land for the period for which it is leased or assigned. At the expiration of a lease the land reverts to the grantor, or the person entitled to the fee simple

In copyhold land, the fee simple remains with the lord of the manor

**FEE TAIL.**—This is the name given to an estate which is granted to a person and the heirs of his body. The estate is generally described as an entailed estate (*qv*). This estate, like an estate in fee simple (*qv*) and an estate for life (see LIFE ESTATE), is a freehold. It does not descend, however, to heirs generally, but is limited to the heirs of the body, and if there is a special entail, the land must descend in the direction indicated. Thus,

there may be either a special tail male or a special tail female

**FEES PAYABLE ON REGISTRATION OF COMPANIES.**—(See REGISTRATION OF COMPANIES)

**FELONY.**—Crimes are divided into two main classes, felonies and misdemeanours (*qv*). It is the popular opinion that the former include all the more serious offences known to the law, and the latter those which are not so heinous. Practically, this is generally true, but the distinction between the two is a matter of history. Until the year 1870, a person convicted of felony was deprived of his property. This is a relic of the old feudal law, and the word felony is said to be derived from the two old words "fee" and "lon," the former signifying a fief or feud, and the other price or value. The chief offences known to the law in ancient times were felonies, but in modern times various statutes have introduced new offences, and it is by statute that a felony or a misdemeanour is now constituted. If in a statute it is declared that an offender against the provisions contained in it is to be deemed to have acted "feloniously," the offence is a felony, if not, it is a misdemeanour. To show how erroneous is the view that the seriousness of the offence constitutes the basis upon which the distinction is made, it is only necessary to give one example. Thus, perjury is a misdemeanour, whereas simple larceny is a felony. It will be seen, therefore, that it is necessary to look to the various statutes dealing with offences before coming to a conclusion as to the class in which each is to be placed

Forfeiture of goods in cases of felony was put an end to in the year 1870

There are various incidents still attaching to the two kinds of crimes which are worthy of notice. Thus, there exists a right of arrest without a warrant in certain cases of supposed felony, but not in the majority of cases of supposed misdemeanour. But the right of arrest on the part of a private person is strictly circumvented, whereas a police-constable has a much wider authority (See ARREST, RIGHT OF). Felonies can only be tried upon indictment or inquisition (*qv*), misdemeanours may also be tried upon information (*qv*). The prisoner who is charged with felony has a right to challenge the jury peremptorily, no such right exists in the case of a misdemeanour. The method of swearing the common jury differs in the two cases (See JURY). Again, in a trial for a felony the prisoner must be present throughout the trial, in a trial for a misdemeanour this is not essential. Greater leniency is extended as to bail in cases of misdemeanour than in cases of felony

Lastly, a felony must, generally speaking, be prosecuted before a civil action can be entertained, the prosecution of a misdemeanour is not of necessity a preliminary required before entering a civil action.

There may be accessories both before and after the fact to felonies (See ACCESSORIES)

**FELSPAR.**—(See ALUMINA)

**FEIT.**—A fabric prepared usually from woollen materials without either spinning or weaving. The wool from which the felt is to be obtained must be strong and elastic, and its fibres must have a natural tendency to combine with each other, that is, they must possess numerous serrations ready to interlock. The method of preparation is as follows: The waste-woollen material is moistened by steam and passed between heavy rollers, by which means



than one substance or seed, (b) in the case of any article artificially prepared otherwise than by being mixed, broken, ground, or chopped, what are the respective percentages of oil and albuminoids in the article. The invoice is a warranty as in the case of fertilisers. When the article is sold under a name or description implying that it is prepared from any particular substance or from any two or more particular substances, and without indication that it is mixed or compounded with any other substance or seed, there is an implied warranty that it is pure, that is to say, is prepared from that substance or those substances only, or is a product of that seed or those seeds only. There is a general implied warranty by the seller that the article sold is suitable to be used as a feeding stuff. Any statement by the seller as to the percentages of ingredients in a fertiliser or of the ingredients in a feeding stuff in an invoice or circular or advertisement has effect as a warranty. When two or more ingredients of a fertiliser or feeding stuff are mixed at the request of the purchaser, it is sufficient to state in the invoice the percentages of the several ingredients before mixture, and that they have been mixed at the request of the purchaser.

**Offences and Penalties.** Sale of a fertiliser or food stuff without giving or refusing the invoice required by the Act, any false statement of a material particular in the invoice or description, sale of a feeding stuff containing any ingredient deleterious to cattle or poultry or any worthless ingredient not disclosed at the time of sale, all these entail maximum penalties of £20 for the first offence and £50 for any subsequent offence. The seller also remains liable for the civil damages the Act makes him responsible for his warranty. But the seller is not liable to the penalty for a false statement, in the invoice or particulars, if he proves that he did not know and could not with reasonable care have ascertained that it was false, or if he shows that he himself purchased the article with a written warranty or invoice from a person in the United Kingdom which contained the false statement, that he had no reason to believe when he sold the article that the statement was false, and that he sold the article as he purchased it.

**Analyses.** There is a chief Agricultural Analyst appointed by the Board of Agriculture, and every county council must, and the council of boroughs may, appoint an official agricultural analyst and samplers.

Every purchaser of a fertiliser or feeding stuff is entitled to have it analysed by the agricultural analyst, but he must take samples within ten days after delivery of the article or receipt of the invoice whichever is later. An official sampler, either at the request of the purchaser or independently, may take samples of such articles sold, exposed, or kept for sale, in order that they may be analysed by the agricultural analyst. The manner in which samples must be taken, and the duties of the agricultural analyst in making the analysis and certifying the result, are prescribed by the regulations made by the Board.

The certificate of the agricultural analyst or chief analyst is sufficient evidence of the facts stated in it in either civil or criminal proceedings, if the samples have been taken in the prescribed form, unless the defendant requires the analyst to be called, but no prosecution can be instituted except with the consent of the Board, and the Board cannot give consent unless an analysis is made as

prescribed and the Chief Analyst has given a certificate of it. The purchaser is entitled, apart from bringing civil or criminal proceedings, to have an article analysed by the agricultural analyst, samples of which have been taken otherwise than in accordance with the regulations.

Prosecutions may be brought either by the aggrieved purchaser, or by a county or borough council, or by any body or association authorised by the Board to bring them. The consent of the Board, however, as above-mentioned, is to be given and, moreover, the offence of causing or permitting an invoice or description to be false cannot be prosecuted after three months from the date when the purchaser received the invoice. There is an appeal from all summary convictions to the quarter sessions.

**FEU.**—This word signifies land held under feudal tenure. (See **FEU CONTRACT**.)

**FEU CONTRACT.**—In Scotland, a contract between a superior and his vassal respecting the giving of land in feu, feu being a tenure where the vassal holds land from the superior, and, instead of performing military service, makes an annual return in grain or money.

**FEVERFEW.**—A perennial plant of the *Compositæ* order, closely allied to the camomile, and found in hedges and cornfields. It was formerly used as a remedy in cases of fever.

**FI. FA.**—(See **FERI FACIAS**.)

**FIAT.**—This word is commonly used to denote a formal order. Thus, certain prosecutions or other legal proceedings are not allowed to be taken, except the fiat of one of the law officers of the Crown is first obtained. The word is Latin, and its exact meaning is "let it be done."

**FIBRES.**—Thread-like substances derived from the animal, vegetable, and mineral kingdoms. Silk, wool, and hair represent the first class, cotton, flax, jute, hemp, esparto and other grasses, coir, and the leaves of certain palms are the chief vegetable fibres, and amianthus and asbestos are among the most important fibrous substances of the third class. The various articles mentioned are dealt with under separate headings.

**FICTITIOUS BILL.**—This is a name which is sometimes given to an accommodation bill (*q.v.*)

**FICTITIOUS PAYEE.**—Where the payee of a bill of exchange or a cheque is a fictitious or a non-existing person, *e.g.*, a person who is dead, the bill or the cheque may be treated as one payable to bearer, that is, it can be negotiated without indorsement. In the case of *Bank of England v. Vagliano* (1891, A.C. 107), the leading case upon the subject, the meaning of a "fictitious" person was extended so as to include a real person who never had nor was intended to have any right to the bills of exchange which were there in dispute. Lord Herschell said in the course of his judgment: "I have arrived at the conclusion that whenever the name inserted as that of the payee is so inserted by way of pretence merely, without any intention that payment shall only be made in conformity therewith, the payee is a fictitious person within the meaning of the statute, whether the name be that of an existing person or of one who has no existence."

This decision has not been always looked upon as altogether satisfactory from a business point of view, but as it is a decision of the House of Lords, it stands as law. The doctrine has been also applied to cheques, but some of the decisions are very

sell all the goods and chattels which he has taken with the exception of the wearing apparel and bedding of the judgment debtor or his family, and the tools and implements of his trade to the value of £5. He may also sell a lease or term of years, and assign the same under his seal of office to the purchaser. Growing corn and crops, which are raised by the industry of man, are liable to seizure, and by statute such choses in action (*qv*) as bank-notes, cheques, bills of exchange, bonds, and other securities for money may be taken. But goods which are in the custody of the law, as by distress, are exempt.

There is a great distinction to be observed between distress and execution. Generally speaking any goods on the premises may be seized in the former, whereas the goods of a judgment debtor may be seized anywhere, though, of course, they must be the property of the debtor.

If goods are wrongfully seized, as being the property of a third person, the rightful owner may intervene and claim them. The usual course, however, in any case of doubt, is for the sheriff to claim the protection of the court. This is done by means of what is called "an interpleader summons" (*qv*), which is served upon the claimant and the execution creditor. Both these parties and the sheriff attend before a master, and the latter almost invariably directs an issue, that is, orders that the claims of the execution creditor and the claimant shall be heard in an ordinary trial, the sheriff meantime retaining the goods, and being ready to give them up to the successful party. (The master is a kind of subordinate judge, who hears various interlocutory matters (*qv*) in connection with actions at law. In the country the district registrar occupies a similar position to the master, in almost all cases there is a right of appeal to the judge from a decision of the master.) The master has power to decide the case summarily if the amount in dispute is less than £50, and there is no difficult question of law or fact. Unless the claimant is willing to give security to abide the event of the issue, the sheriff may be empowered to sell so much of the goods as will realise the amount of the judgment debt.

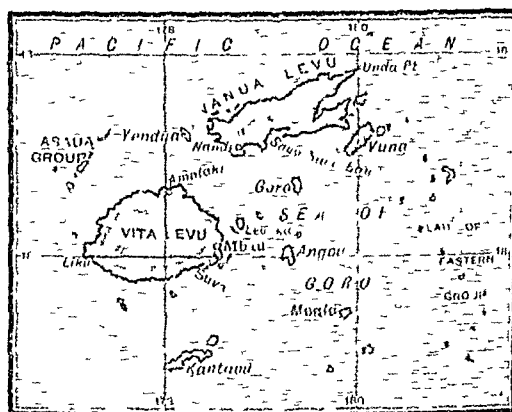
In many cases the trial of an interpleader issue, where the amount of the judgment is not very considerable, is heard in some county court, as it is likely to come on at an earlier date than if it is tried in the High Court. (See *EXECUTION*.)

**FIG.**—The common fig is the fruit of the *Ficus carica*, a native of the East, but now grown in great quantities in the Mediterranean countries. The best variety comes from Smyrna, but there are also large imports from Portugal, Greece, and Italy. The green fig is regarded as a choice dessert fruit, but the dried product is more important commercially. The drying is done either in the sun or in specially made ovens. Coffee is sometimes adulterated by the addition of ground figs, and a spirit may be obtained by distillation from fermented figs.

**FILJ.**—The Fiji Islands lie in the Pacific within the tropics 2,000 miles east of Queensland. Longitude 180° and 15° south latitude run through the middle of the group. They consist of two large islands, Viti Levu (14,250 square miles), Vanua Levu (2,600 square miles), and about 200 other islands with a total area of 17,435 square miles. Eighty of the islands are inhabited. Most of them are surrounded by barrier reefs, crossed by deep

channels, and enclosing smooth roadsteads. The population is about 131,000, of whom 2,500 are Europeans.

The scenery in parts is very grand. Some of the highlands rise to a height of 4,000 ft. The windward sides of these highlands, being in the track of the south-east trade winds, are well watered and clothed with dense forests. In the lowlands the water from the mountain streams is used by the islanders for irrigation. Large numbers of cattle are kept, as well as some horses, sheep, and goats. Many thousands of acres are planted with sugar and coconuts, while rice and bananas are also grown. As there is not sufficient native labour to keep pace with the growth of the plantations, labourers have to be imported from other Pacific islands.



Sugar-making is an important industry, the six chief factories being capable of turning out 420 tons of sugar per day. Sugar and copra are the chief exports, hardware, drapery, and machinery the principal imports.

Goods from Fiji reach England via Australia, and there is regular communication with New Zealand and Australia, Tonga, Samoa, Honolulu, and Canada.

The capital, Suva, is on the south coast of the largest island, Levuka, on the small island of Ovalau, is the only other place of any importance.

The islands, which were ceded by the chiefs in 1874, are administered by a governor appointed by the Crown, assisted by an executive and a legislative council. Local government is administered by the native chiefs.

The regular mail service is via San Francisco or Vancouver—once in three weeks by the former and once a month by the latter. Suva is situated 11,000 miles from London, and the time of transit is thirty days.

**FILBERTS.**—(See *HAZEL*.)

**FILE.**—A wire or some contrivance in or upon which papers are arranged in order for facility of reference.

**FILING PETITION.**—(See *RECEIVING ORDER*.)

**FILING SYSTEMS.**—Perhaps in no section of office equipment—if we except the typewriter—has so much progress been made during the last few years as in that of filing letters, documents, catalogues, etc. The expansion of trade, the increase of output, and the growth of both imports and exports have naturally brought into almost every department of commerce an ever-increasing number of letters and other commercial papers.

### INDORSEMENT

Levy £ — and £ — for costs of execution, etc , and also interest on £ — at £4 per centum per annum from the — day of —, until payment , besides sheriff's poundage, officers' fees, costs of levying, and all other legal incidental expenses

This writ was issued by G H of — agent for K L solicitor for the plaintiff A. B. who resides at — —

The defendant C. D is a ——— and resides at ——— in your bailwick.

INDORSEMENT

Levy £ — and £ — for costs of execution, etc , and also interest on £ — at £4 per centum per annum from the — day of —, until payment , besides sheriff's poundage, officers' fees, costs of levying, and all other legal incidental expenses

This writ was issued by G H of — agent for K L solicitor for the plaintiff A. B. who resides at — —

The defendant C D is a — — and resides at — — in your bailiwick.

Manilla paper, lettered on the edges so that the letters may be placed in their respective sections, and afford rapid reference. For instance, the dividing sheets inside the letter B would be lettered somewhat as follows Ba, Be, Bi, Bo, Bu, By. Many of these drawer cabinets are made so that the letters are filed securely on metal uprights, which stand from the base board of the drawer. A movable metal arch admits of the letters being placed on the file in their proper sections or taken off. In filing letters, the most recent letter may be placed on the top of the letters received from an individual or at the bottom in its natural sequence of date order.

When a drawer becomes full, the letters are removed and placed in the same order in a binding case. This is marked on the back with the initial of the drawer and the period covered by the correspondence, thus—

LETTERS

B

1911

Jan 1 to

Mar 31

Every time a transfer is made the fact is recorded on a slip, which is generally pasted on the base board of the drawer, and indicates the period covered by the letters removed. The transferred letters may, of course, be tied up in bundles and stored away, but as binding cases are inexpensive and admit of much quicker reference, the practice is not recommended.

Additional drawers are generally provided in these cabinets, which may be used for containing correspondence from branch offices, travellers or customers from whom a regular correspondence is received. Extra compartments are also found in some of the larger sized compartments for the filing of catalogues and documents, which are not of sufficient importance to be placed in the safe or the strong room. Catalogues and documents, however, are so numerous in a large business house, that the best way of filing these to ensure ready reference is by means of a card index. On the card may be recorded a brief note of the contents of the document and its number and location, and in the case of catalogues several cards are often useful. On one card would be indicated the number of the catalogue, the name of the firm, and the goods they manufacture, which would, of course, take its place in the card index drawer alphabetically. The goods themselves might be mentioned on various cards indexed under the headings of, say, Iron Tubes, Wrought Iron Pipes, etc., with a reference to the makers and their catalogue numbers on the file.

The sections and drawers already described generally form the upper portion of the cabinet, a cupboard occupying the lower portion. In this cupboard it is convenient to place the binding cases containing the letters from the drawers above, which cases are, in their turn, removed to the store-room, when space is required to accommodate binding cases containing letters of more recent date.

The last system of filing letters to be mentioned is the Vertical Filing System. This is undoubtedly the best and most up-to-date method in existence of dealing with correspondence, and deserves more than a passing reference. It is, therefore, dealt with in another place.

**FILLER.**—(See FOREIGN MONIES—AUSTRIA AND HUNGARY.)

**FINANCE.**—The general name of the science which deals with and regulates money matters. At one time it was a word mostly used in connection with the management of the revenues of the State. By degrees, however, it has acquired a wider signification, and it is now applied most frequently in commercial affairs to the raising of money by subscription or otherwise, and in the employment of it in loans for the carrying out of public and commercial undertakings.

**FINANCIAL RETURNS.**—The preparation of regular periodical returns showing the resources of businesses is of the utmost importance to those responsible for their management. In all well-conducted businesses owned by joint stock companies the practice is to prepare a monthly statement of Ways and Means for presentation to the board of directors, or a section of it styled a finance committee, and responsible to the controlling board. This return exhibits the immediate resources of the concern, both as regards its capital and revenue accounts, setting out at the same time the immediate payments to be made under the head of capital or revenue, and contingent liabilities in the shape of bills to be paid in each of the next ensuing three months or perhaps more, with any items of debenture interest or dividends which it is customary to pay on a given date in the immediate future. As against the bills payable, the statement also provides for bills maturing to the credit of the business for a like period. The majority do not provide for a separate statement of financial resources and liabilities, distinguishing capital from revenue. A great proportion are, however, gradually realising the advisability of keeping separate cash accounts with their bankers, which will exhibit at any given moment the precise amounts of cash available for the purpose of extending the business or for meeting its normal requirements. This has been rendered necessary owing to the vast number of instances where prosperous companies have unconsciously absorbed great sums of money earned from their revenue accounts for the purpose of paying for extensions to buildings, additions to plant, and so forth, thus procedure resulting in a difficulty to meet the required sums for paying dividends which the Profit and Loss Account have adequately provided for. Unless some steps have been taken from the very inception of the company's career, when a precise line of demarcation can be drawn between cash items of income and expenditure, for capital and revenue accounts, respectively, subsequent transactions being based upon this principle throughout the remainder of its career, it merely becomes necessary to set apart an account with the bankers which shall receive all moneys paid in on account of share capital or debentures, loans, and so forth. Out of this account will be paid the cost of acquiring the business and any subsequent payments which could be rightly regarded as additions to the buildings, plant, machinery, or the acquirement of leases representing a number of years' tenure. In other words, all expenditure which in the ordinary routine of distinguishing between capital and revenue in drawing up the Balance Sheet and Revenue Account must be treated in a similar way in regard to cash payments. This is precisely the same principle followed in connection with the accounts of companies which are required by law to keep their

possession, otherwise than by being restored to A, B is entitled to reclaim it on his own behalf. This rule of law applies to all public places to which there is free access, and it seems that it is true as to the public part of a shop. But if an article is picked up in an inn, the innkeeper has a special property in it and may demand it from the finder. So also, as regards private property. Articles found thereon are, *prima facie*, the property of the landowner, except the precious metals, and these belong to the Crown. (See TREASURE TROVE.)

If property is simply mislaid a "finder" may be in a difficult position if he refuses to restore the same upon demand. In any case an action in detainue (*q v*) will lie, but if it can be clearly shown that the "finder" at the time when he got the property into his possession intended to convert it to his own use, he is guilty of larceny (*q v*). If, on the contrary, the first intention was to restore the property and the idea of conversion was formed later, there is no larceny.

**FINE PAPER.**—Thus is the name given to bills which are drawn upon banks or firms which possess a first-class reputation.

**FIRECLAY.**—Clay consisting principally of silica and alumina, and valuable for its fire-resisting properties. It is usually found below seams of coal, and is used in the manufacture of crucibles, retorts, firebricks, and drain pipes, and also for lining ovens. It is, in addition, much employed in metallurgical operations. The principal deposits in Great Britain are at Stourbridge (in Worcestershire), at Newcastle-on-Tyne, and at Glasgow. The other countries from which fireclay is obtained are Belgium, Germany, France, Sweden, and the United States.

**FIRE, KEEPING SAFE FROM.**—A person on whose premises a fire started was, at common law, responsible for all damage that might occur, even though the fire was not due to any negligence on his part. If, however, he could trace the fire to the unauthorised act of a stranger, he escaped liability. By the Metropolitan Building Act, 1774 (which applies to the whole country, and not only to London), the owner of premises on which a fire accidentally begins is freed from responsibility, but it appears that the owner, if he lights a fire on his premises, must keep it in at his peril, and will be answerable if it spreads and does damage to another person. There is an exception to this liability if the fire is kindled in pursuance of statutory powers. Thus, if a railway company works its line properly, taking all reasonable precautions, and sparks escape and do damage, the company are not liable. It is provided, however, by the Railway Fires Act, 1905, that the fact that a locomotive is being worked under such statutory powers is not to affect liability for damage to agricultural land or crops up to £100.

Provisions have been made from time to time by the legislature with a view to diminishing the number of fires, the law varying with the locality.

In urban districts the subject is dealt with by the Town Police Clauses Act, 1847, which provides that every person who wilfully sets fire to a chimney within the district is liable to a summary penalty of £5, in addition to any liability to indictment for arson. If any chimney within the district accidentally catches fire, the Act renders the person occupying or using the premises liable to a penalty not exceeding 10s., but the forfeiture is not to be incurred if such person proves that the fire was in

no wise due to the omission, neglect, or carelessness of himself or his servant.

In rural districts these provisions only apply if they have been put in force by an order of the Local Government Board.

These provisions apply with increased stringency in the metropolis, a 20s. fine being imposed for allowing chimneys to be on fire. The London Building Acts, 1894 to 1908, also contain various provisions as to fire, the most important being Section 7 of the Act of 1905, to the effect that every building having the floor of any storey at a greater height than 50 ft. above the adjacent footway, and every building occupied, constructed, adopted, or used for the occupation or employment therein of more than twenty persons, must be provided, in accordance with plans approved by the county council, with all reasonable means of escape from fire. The Act also empowers the council to serve notice on owners of buildings of these classes existing at the date of the Act requiring them to provide proper and sufficient means of escape from fire, and the owner must, subject to a power of appeal, comply with the terms of the notice.

**FIRE INQUEST.**—(See INQUEST.)

**FIRE INSURANCE.**—This is one of the forms of insurance of indemnity, in fact, it is, perhaps, the principal, as it is certainly the oldest. In so far as it is a species of guarantee against loss pure and simple, the undertaking of the insurer towards the insured being the reimbursement of any pecuniary loss which may accrue, it is to be very carefully distinguished from Life Insurance and Marine Insurance, to which special considerations apply. It would be permissible, and, perhaps, convenient in some respects, to treat this matter fully under the present heading, but as this is, as already stated, one of the class of Indemnity Insurances, it has been thought advisable to include it under that heading. Reference must, therefore, be made to the articles headed INDEMNITY INSURANCE and INSURABLE INTEREST. (See also INSURANCE OFFICES.)

**FIRKIN.**—An old measure of capacity, the fourth part of a barrel, equivalent to 9 imperial gallons.

**FIRM.**—The collective name of a number of persons who carry on a partnership business. The number of persons must not exceed twenty in any case, and if the business is a banking one, ten, unless registered under the Companies (Consolidation) Act, 1908. In legal proceedings the firm name may always be used instead of the individual name of the partners, even when the business is carried on by one person in some name or under some style which is not his own. But no order of adjudication in bankruptcy is made against a firm in the firm name, but against each partner individually.

In Scotland, a firm is a legal person distinct from the partners. (See Section 4 of the Partnership Act, 1890.)

**FIRM OFFER.**—A definite offer, as where a person states that he is prepared to purchase a certain property at a specified price.

**FIRM NAME.**—(See FIRM.)

**FIRS.**—Cone-bearing trees of various species. The Norway spruce fir is the most widely distributed. It is found from the Arctic circle to the Alps, where it grows at a great altitude. Its leaves, like those of the other species, are evergreen, and the tree itself is lofty and hardy. In addition to its timber (known commercially as "white deal," and used for masts and for numerous other purposes),

and nailed to them, and the tapestries were then stretched over the canvas and fastened by tacks to it and the pieces of wood Mouldings, resting on the surface of the wall and fastened to it, were placed round each piece of tapestry. Portions of the walls which were not covered by the tapestries, were covered with canvas, which was coloured or painted so as to harmonise with the tapestries. On these facts it was held that the tapestries had been thus affixed for the purpose of ornamentation and the better enjoyment of them as chattels, and that on the death of the tenant for life they did not pass with the freehold to the remainderman, but formed part of the personal estate of the tenant for life, and could be removed by the executor, and that the executor ought to pay the expense of making good the damage done in removing the tapestries, but that he was not bound to pay the cost of redecorating the room.

It is useful to compare this case with the more recent decision in *In re Whaley* (1908, 1 Ch 615). The following is the head-note. The testator in his lifetime bought a house in which the former owner had fitted and decorated the dining-room as a perfect specimen of an Elizabethan room. As part of the scheme of decoration certain pieces of tapestry had been fixed to the walls by being nailed upon wooden frames, which were kept in their place by the mouldings of an oak dado and frieze above it, which were fastened to the wall by screws. A picture of Queen Elizabeth, attributed to Zuccherro, painted on wood, was similarly fixed in its place over the fireplace by the mouldings of an overmantel, which had apparently been constructed for the picture. The picture and tapestries were bought by the testator as part of the house and included in its price. The testator by his will gave his wife all the furniture and chattels in the house, and devised the house to trustees upon trust to permit her to reside there during widowhood, and then upon trusts under which his grandson had become absolutely entitled. It was held, in the circumstances of the case, that the picture and tapestry, having been fixed as part of a general scheme of decoration and not for their better enjoyment as chattels, passed under the devise of the house and not under the gift of chattels, *i.e.*, they were held to be fixtures.

As between landlord and tenant, the question of fixtures is of a much more extensive and complicated character. The chattels annexed to or placed upon the realty may have been so annexed or placed either by the landlord or the tenant. (If they are there through the action of a third party, it is presumed that such third party was making a gift of the same to the owner of the freehold.)

Landlord's fixtures are those chattels which have been placed upon the land by the landlord himself, either at the commencement or during the continuation of the tenancy, as well as those which have been placed there by the tenant, either under an agreement or otherwise, and which the tenant is not permitted to take away. Tenant's fixtures are practically all those chattels brought upon the land which are not included in the landlord's fixtures. They include the chattels which have been brought upon the land, and any movable buildings, machinery, &c., which have been erected for the purposes of trade, ornament, domestic use, agricultural purposes, &c., as well as anything which has been brought on the land or erected under a special agreement between the landlord and the

tenant. The tenant's fixtures the tenant is entitled to remove and take away, within certain limitations, though the tendency nowadays is to favour the tenant's claim.

The general rule of law has been already stated, viz., that when anything is affixed to the soil it becomes the property of the freeholder. This is especially applicable in the case of landlord and tenant. If the tenant affixes anything during the tenancy, no removal can take place without the consent of the landlord. But in order that the rule may apply, there must be complete annexation—mere contact is insufficient, however weighty the chattel may be. A few examples may be given in order to illustrate this statement. A wooden barn supported by beams resting on the ground is not a fixture which passes to the landlord, nor does it make any difference if the supports of such a building are fixed in the ground. But where an engine was affixed by means of screws and bolts to a concrete bed in freehold land, for the purpose of driving a saw mill on the land, the engine was held to have ceased to be a chattel and to have become a part of the freehold. The annexation may likewise be constructive, for example, keys, locks, movable windows, and doors, and the duplicate parts of machines, which are in themselves fixtures. But the annexation may be shown to be incomplete, if it is clear that the mode of annexation is such that the chattel can be removed and taken away without any injury being done to the freehold, and if the circumstances are such as to lead to a presumption that the annexation was intended to be for a temporary purpose or for the sake of enjoyment. Otherwise a carpet or a picture would not be removable by a tenant.

It is only in recent times that a tenant has been permitted to remove fixtures set up by himself for the purpose of ornament or convenience. And at the present day, if any erection is in the nature of a permanent improvement of the premises, and there is no possibility of removal without some substantial damage being done to the freehold on account of such removal, the former rule of law remains in all its fulness, and the landlord is the owner of that which has been annexed. Again, a few illustrations drawn from decisions which have been given in cases decided in the courts may not be without interest, as they are actual examples. Among articles set up for ornament or convenience which may be removed, are looking-glasses, tapestry hangings, window-blinds, cornices, ornamental chimney-pieces, cupboards, bookcases, on brackets screwed to the walls, and gas-fittings. But it has been held that a veranda fixed to posts in the ground, greenhouses built in a garden a boiler built in masonry for heating purposes, and a conservatory erected on a brick foundation and attached to a dwelling-house cannot be removed. A tenant who is not a gardener by trade cannot move a border of box planted during his tenancy without the permission of his landlord.

The rules of law as to the right of retention by the landlord of chattels brought on to and annexed to the freehold in the case of a tenant are subject to further exceptions when the question of trading arises. There then arises a new class of fixtures known as trade fixtures, which are obviously much wider than the ordinary tenant's fixtures. But, even then, the tenant has not the right to remove everything that has been set up. As in the case of a devise and a remainderman or reversioner, the

therefore, does not require to be evidenced by a memorandum in writing.

As to remedies in the case of fixtures. If the landlord refuses to allow their removal by the tenant, the latter has a right of action for detinue, and can claim the chattels or their value. If the tenant removes wrongfully, the landlord's action is for waste or for breach of covenant if any agreement has in fact been entered into with respect to the fixtures.

**FJERDINGKAR.**—(See FOREIGN WEIGHTS AND MEASURES—DENMARK.)

**FLAGSTONES.**—A comprehensive name for various sandstones, limestones, etc., which break up easily into large, flat slabs. They generally contain argillaceous and calcareous matter. The Caithness flagstones are noted for their durability, and have been much used for paving not only in England, but also on the Continent. Other well-known quarries are at Thurso, at Festiniog, in North Wales, and in Yorkshire, the last-named being noted for the hardness of the slabs, while evenness of grain is the characteristic of the Welsh product.

**FLANNEL.**—A soft, woollen fabric of open texture, of great value for underclothing. The best is obtained from the wool of the Welsh mountain sheep, and its superiority is said to be due to the fact that it is still largely produced by hand labour. Newtown, Welshpool, and Llangollen are the centres of the Welsh industry. Bury and Rochdale in Lancashire, and Leeds and Halifax in Yorkshire, are the other important towns engaged in the manufacture of flannel. Flannel shirtings come chiefly from the Scotch town of Auchterarder and fine dyed varieties are imported from France. The United States also produces large quantities of flannels.

**FLASH POINT.**—This indicates the temperature registered by the thermometer at which oil gives off explosive vapour. Thus, when oil is said to have a flash point of 80° or 100°, it is meant that if oil is heated to that degree it becomes inflammable by reason of the vapour which is then given off by it.

**FLATS.**—The distinction between a flat and an ordinary house is a physical fact, not one of definition in law. A flat is a separate structural part of a larger building, which is composed of a number of such separate parts or flats, and usually they are built one above another, instead of standing side by side as ordinary houses or buildings do. Both kinds of buildings are tenements, freehold or leasehold, which may be owned, let, occupied, and rated in the same way, but the peculiar physical character of flats gives rise to certain special legal difficulties. Therefore particular decisions and rules of law are to be found about flats, and different kinds of agreements for sale or letting, or conveyances on sale, have to be made. Perhaps it may not be more important in taking or letting a flat than it is in taking or letting an ordinary house, to make a contract in writing containing suitable clauses; but at any rate the same kind of contract is not proper for both.

There are two classes of flats. The one is where the whole building is in one ownership, usually a leasehold, and the landlord lets out the various flats to tenants. The other class is where each separate flat is in the different ownership, but the building is a common property in Scotland is not so in England. If a part of the whole building is let to a tenant, the tenant's rights in the

own possession and control all such parts of the building as are necessary for the general use of the tenants, and not in the exclusive occupation of any one of them. Such are the common roof and foundations, the courtyard and hall, the staircase, the lifts and the water and drain pipes. As these are necessary for the tenants using their flats, there is an implied term in every tenant's agreement that the landlord will keep these common parts in a proper state of repair, and that there shall be a free right of passage through hall and staircase to the tenant's own flat. If the building has front or back grounds common to the building, as, for instance, gardens, the right to use them by the tenants may depend either on the rules of the estate, which would be embodied in the contracts, or on the particular agreements between the landlord and tenants.

Taking the case of a conveyance on sale of a flat where the ground is not conveyed, the freehold of the flat (if an upper story) may be conveyed; but if the flat is destroyed it is generally held that the freehold estate is destroyed with it. What in this case might be the respective rights of the owner of the soil, and the other owners who wished to enter and re-construct their flats, might give rise to difficult questions, which need not be considered here. It is a matter which has naturally received more judicial consideration in Scotland. As in England the main questions as to flats arise out of the relations between landlord and tenant, we shall consider these mainly.

**Agreements in Writing.** Except for very short terms, such as a weekly letting, it is obvious that it is desirable to have an agreement in writing setting out special terms. But the law as to the necessity for writing in the case of leases is the same for flats as for any other houses. Suppose a flat is agreed to be let for three months, or any other term. As this is a contract relating to an interest in land, it must be in writing (See under STATUTE OF FRAUDS). Such a contract, however, would be good without writing if the tenant actually entered into occupation under the verbal agreement with the landlord. But nothing less than taking possession will do; not even payment of rent in advance (*Thursby v Eccles*, 1901, 70 L J Q B 91, which arose out of the letting of a furnished flat). If the agreement is for longer than three years, it must be by deed.

**Implied Terms.** Apart from the special agreement which may be made with varying terms, according to the nature of the flat, as to which the practical advice of professional men familiar with such subjects is usually desirable, the law will imply certain terms in the case of flats, that is, as if no other terms were made than just the agreement about rent. The courts would understand it to be made on certain conditions that are not expressed. There is said above that the landlord impliedly contracts with each tenant that he shall have the right to use whatever is not demised to him individually, but which is necessary for the enjoyment of the flat. But we must also add that the tenant has a right to have his flat supported by the floor below, which is not to be allowed to get so out of repair as to endanger the flat above. That is, a covenant or agreement may be implied on the part of the landlord that the tenant shall have the support necessary; and if the landlord wants to cover himself from the liability he must get the tenant or the owner of flat to agree to keep his flat in such a condition







to secure convictions under these Sections, and, indeed, prosecutions under them have become relatively infrequent

Of far more frequent occurrence are proceedings for the second class of offence, for which the Acts impose a penalty not exceeding £20 in respect of the first conviction, not exceeding £50 on a second conviction, and not exceeding £100 for any subsequent offence, with a further provision that any person liable to a fine exceeding £50, if the offence in the opinion of the court was committed by the personal act, default, or culpable negligence of the person accused, shall be liable (if the court is of the opinion that a fine will not meet the circumstances of the case) to imprisonment with or without hard labour for a period not exceeding three months

Such offences are the following—

(1) Selling to the prejudice of the purchaser any article of food or any drug which is not of the nature, substance, and quality of the article demanded by such purchaser, provided that an offence shall not be deemed to be committed under this Section in the following cases, that is to say—

(a) Where any matter or ingredient not injurious to health has been added to the food or drug, because the same is required for the production or preparation thereof as an article of commerce, in a state fit for carriage or consumption, and not fraudulently to increase the bulk, weight, or measure of the goods or drug, or conceal the inferior quality thereof,

(b) Where the drug or food is a proprietary medicine, or is the subject of a patent in force, and is supplied in the state required by the specification of the patent

(c) Where the food or drug is unavoidably mixed with some extraneous matter in the process of collection or preparation

(2) Selling any compound article of food or compounded drug which is not composed of ingredients in accordance with the demand of the purchaser,

Provided that no person shall be guilty of any such offence as aforesaid in respect of the sale of an article of food or a drug mixed with any matter or ingredient not injurious to health, and not intended fraudulently to increase its bulk, weight, or measure, or conceal its inferior quality if at the time of delivering such article or drug he supplies to the person receiving the same a notice by a label distinctly and legibly written or printed on, or with the article or drug, to the effect that the same is mixed

These sections are of the utmost importance, and there are decisions on nearly every word of them. Certain points have also been affected by further legislation, which will be referred to in its proper place

In the first place, the words "no person shall sell" and "purchaser" become of importance when either sale or purchase is through an agent. In such a case, both agent and principal are liable for selling, and a person who purchases through an agent may prosecute. Thus, when an inspector sent his assistant into a shop to buy gin, and gave him the money to pay for it, and when the assistant had been in the shop about a minute, followed and purchased and the person prejudiced, under the section. There have been numerous decisions on the meaning of the words "to the prejudice of the purchaser." It is established that "prejudice"

does not mean merely pecuniary prejudice, and it is probable that a conviction would follow if it could be shown that a purchaser in the abstract would be prejudiced, even though the actual purchaser might for some reason to himself not be prejudiced. The Scottish courts, however, were disinclined to take this view; and accordingly thought that if a purchaser bought only for analysis he could not be said to be "prejudiced." To remove this discrepancy between English and Scottish law, it is now expressly provided that "in any prosecution—for selling to the prejudice of the purchaser any article of food or any drug which is not of the nature, substance, and quality of the article demanded by such purchaser—it shall be no defence to any such prosecution to allege that the purchaser, having bought only for analysis, was not prejudiced by such sale."

The same Section also enacts that it shall not be a good defence to prove that the article of food or drug in question, though defective in nature or substance or in quality, was not defective in all three respects—in other words, a conviction will follow if it is shown that the article is defective in either nature, substance, or quality. But the words "to the prejudice of the purchaser" still play an important part in preventing oppressive convictions. For example, it is well settled that if express notice is given to the purchaser at the time of sale that the article sold is not of the nature, substance, and quality of the article he demands, he cannot be said to be prejudiced. Thus, where A demanded of B coffee, and B replied that he did not sell coffee, but pointed to certain tins marked "Mixture of coffee and chicory," and informed A that he sold such as a mixture of coffee and chicory, B was acquitted of any offence, as A got what he asked for. The notice in question need not be particular; but may be general, as by putting up a notice in the shop. Any such general notice must be clear and unambiguous, and it must be shown that the purchaser saw it or that any ordinary person would have seen it. The fact that the purchaser, in fact, knew of the unsatisfactory state of the article, from sources of information other than the vendor, would probably be no defence if he did not actually see the notice, though there are conflicting decisions on the point.

Another class of cases is where the article is slightly different from that usually sold as such, but in no way inferior. Thus, in a case where a pot of marmalade was sold which contained 12 per cent of starch glucose, which it was proved was not injurious to health, and which had the effect of preventing the marmalade crystallising, and also had a tendency to prevent moulding and germinating, and further, that there was no legal standard of marmalade, it was held that there was no evidence of the sale being to the prejudice of the purchaser, *Alverstone L.C.J.*, observing "It has been judicially decided that the difference between the article demanded and that supplied must be to the prejudice of the purchaser. In the present case an article was given to the purchaser which, if different, was rather better."

This decision, of course, raises the whole question: "What is the 'article demanded'?"

The question is not always an easy one to answer, but one must say generally that it is the duty of the justices to ascertain from the evidence and from any special knowledge they may possess what article is, in fact, usually indicated in trade by the name

of the Act of 1899, which provides that a warranty or invoice given by a person resident outside the United Kingdom shall not be available as a defence to any proceeding under the Acts, unless the defendant proves that he had taken reasonable steps to ascertain and did, in fact, believe in the accuracy of the statement contained in the warranty or invoice. As to what is a sufficient written warranty, the cases are numerous and conflicting, and to review and criticise them would be beyond the scope of this article. It is conceived, however, that the following rules may be deduced from them—

(1) The warranty must be such as to have that effect in law. It is not, however, necessary that the word "warranty" shall be used, and if the intention is clear, and, having regard to Section 14 of the Sale of Goods Act, 1893 (*supra*), a condition (which the purchaser may elect to treat as a warranty) may in certain cases be implied from words of sale.

(2) Neither an invoice nor a label has, *per se*, any effect under this Section, but if the invoice or label is the very proof and record of the contract, and not merely a subsequent identification of the goods delivered under it, it will be sufficient.

(3) If there is a running contract in writing for the supply of goods, and it is a question whether it operates to protect any particular transaction, it will probably do so if there is some writing to identify the transaction as coming within the contract, and for this purpose an invoice or a label, though not itself a warranty, will be admitted as evidence. If it is intended to rely on this defence of warranty, a copy of it must, within seven days of the service of the summons, be sent to the purchaser with a written notice that the defendant intends to rely on it, and specifying the name and address of the person from whom he received it, and a like notice of intention must be sent to such person, who is entitled to attend and give evidence. Forgery of a warranty is a misdemeanour punishable with two years' hard labour. It only remains to notice certain miscellaneous provisions of the Acts. It is an offence to obstruct or attempt to bribe any officer under the Acts, the penalty being £20 for a first offence, £50 for a second, £100 (or imprisonment) for any subsequent one.

In all prosecutions under the Act, the burden of proof, as it is usually in criminal cases, rests with the prosecutors, but when it has been proved that an article has been sold in a mixed state, if the defendant desires to rely on an exception or provision in the Act, it is incumbent on him to prove the same.

Finally, it must be observed that any person convicted of any offence under the Act of 1875 punishable by justices may appeal to quarter sessions. The Acts are not to affect by proceeding by indictment, or diminish contractual obligation, but a person convicted under the Acts may add his fine and costs to the damages claimed by him from the person who sold him the article.

**FOOLSCAP.**—A sheet of paper varying in size from 12 in to 12½ in by 15 in to 16 in, so-called from having formerly borne the water-mark of a fool's cap and bells, which is said to have been substituted by Cromwell for the Royal arms. Double foolscap is 17 in by 27 in.

**FOOT.**—In linear measurement, the term "foot" is applied to a unit of measurement in most countries of the world, which differs considerably

in length. It was evidently taken originally from the length of the human foot, as other measures of length were taken from other parts of the body. The English foot is 12 in. long, or the third part of a yard. The French and the Rhenish foot (in common use in Germany) are slightly longer than the English foot, with which the Russian foot is identical. A metre is equal in length to 3.2818 English feet.

**FOOT-POUND.**—This is the term used to denote the amount of work done in raising 1 lb through 1 foot at the earth's surface. The force that has to be overcome is the weight of the pound, and as this is the attraction between it and the earth, the foot-pound varies in different latitudes, owing to the difference in the power of attraction. In the metric system, the unit of work is the kilogram-metre instead of the foot-pound, and this means the amount of work done in raising a kilogramme through 1 metre at the earth's surface. The kilogramme is equivalent to 7.233 foot-pounds. (See HORSE POWER.)

**FOR CASH.**—A transaction on the Stock Exchange which is "for cash" or "for money," means that the security which has been sold must, as soon as delivered, be paid for in cash. (See FOR THE ACCOUNT.)

**FORCE MAJEURE.**—Circumstances or events which no human precaution could have averted, or which no fraudulent intention could have produced, and those dangers and accidents which are beyond human power to control or oppose. (See ACT OF GOD.)

**FORCIBLE ENTRY.**—The well-known maxim that an Englishman's home is his castle is very jealously guarded in practice. Unless, therefore, there is some grant of permission, no person has the right to enter in or upon the lands of another, even though the person entering is the lessor of the premises. The fact of the demise of the premises is enough to make the holder for the time being the sole arbiter as to who shall or who shall not enter in or upon the premises. But, of course, there is a right of peaceful entry in the case of distress (*qv*). For every other entry there is a right of action for trespass, and not only may damages be awarded against the trespasser, but in certain cases an injunction (*qv*) will be granted restraining the trespasser from continuing his offence. But forcible entry is an act which renders the offender liable to be prosecuted by criminal process. It is, in fact, an indictable offence, and no person can give to another the right to enter forcibly in or upon premises. To constitute the offence there must be some violence shown. Merely opening a door and entering does not make the entry forcible, but the breaking of a door or window would be enough for the purpose. Even an officer of the Crown cannot enter forcibly unless he has been first of all refused admission.

**FORECLOSE.**—The act of fore-closing.

**FORECLOSURE.**—The taking actual possession of an estate or other thing mortgaged with a view of securing repayment of the loan. In equity it was always considered that a thing mortgaged was nothing more than a security for the money advanced. "Once a mortgage always a mortgage." A mortgagee, therefore, was never allowed to take possession of an estate on the failure of the mortgagor to pay at the stipulated time. But, nevertheless, payment must be made within a reasonable time.

CC

*London, May 17, 1912*

Sixty days after sight of this first of exchange (second and third of the same tenor and date unpaid) pay to the order of John Jones, five hundred pounds, value received, which place to account as advised The shipping documents attached to be surrendered against acceptance

To R Robinson & Co,  
New York.

Where the amount or value of the money for which the bill is drawn does not exceed £5 .. .. .	£	s.	d.
Exceeds £5 and does not exceed £10 .. .. .	0	0	1
" £10 " " £25 .. .. .	0	0	2
" £25 " " £50 .. .. .	0	0	3
" £50 .. .. .	0	0	6

On foreign bills, the duties are to be denoted by adhesive foreign bill stamps. If a bill which is drawn abroad is impressed with an English stamp, this is not sufficient, it must have the correct foreign stamp affixed. If the bill is payable on demand, or at sight, or on presentation, or within 30 days, date or sight, an ordinary penny stamp may be used. Any person into whose hands a bill comes before it is stamped must affix a stamp before dealing with it.



Approximate  
value in  
English money.  
s d

Approximate  
value in  
English money  
s

**Egypt. Monetary Unit—Piastre of**

10 Millièmes

Copper—	1 Millième	..	..	0	0 $\frac{1}{2}$
"	2 "	..	..	0	0 $\frac{1}{2}$
Nickel—	1 "	..	..	0	0 $\frac{1}{2}$
"	2 Millièmes	..	..	0	0 $\frac{1}{2}$
"	5 "	..	..	0	1 $\frac{1}{2}$
"	1 Piastre	..	..	0	2 $\frac{1}{2}$
Silver—	1 "	..	..	0	2 $\frac{1}{2}$
"	2 Piastres	..	..	0	5
"	5 "	..	..	1	0 $\frac{1}{2}$
"	10 "	..	..	2	0 $\frac{1}{2}$
"	20 "	..	..	4	1 $\frac{1}{2}$
Gold—	50 "	..	..	10	3
"	100 "	..	..	20	6

Notes of 50 Piastres, 1/2E, 5/2E, 10/2E, 50/2E, and 100/2E are issued by the National Bank. English sovereigns are current throughout Egypt at 97  $\frac{1}{2}$  Piastres; French 20 Franc pieces, 77 Piastres; Turkish Pounds, 87  $\frac{1}{2}$  Piastres.

English bank notes are subject to a varying discount.

**Finland. Monetary Unit—Markka of**

100 Penni

Gold—	20 Markkaa	..	..	15	9 $\frac{1}{2}$
Notes—per	100 Markkaa	..	..	77	6

**France. Monetary Unit—the Franc of**

100 Centimes

Bronze—	1 Centime	..	..	0	0 $\frac{1}{2}$
"	2 Centimes	..	..	0	0 $\frac{1}{2}$
"	5 "	..	..	0	0 $\frac{1}{2}$
"	10 "	..	..	0	1
Nickel—	25 "	..	..	0	2 $\frac{1}{2}$
Silver—	50 "	..	..	0	4 $\frac{1}{2}$
"	1 Franc	..	..	0	9 $\frac{1}{2}$
"	2 Francs	..	..	1	7
"	5 "	..	..	4	0
Gold—	5 "	..	..	4	0
"	10 "	..	..	8	0
"	20 "	..	..	16	0

Notes are issued by the Bank of France for 50, 100, 500, and 1,000 Francs.

The silver coins anterior to 1863, excepting 5 Franc pieces, are no longer current, also all Papal coins, and the 50 centime, 1 Lira, and 2 Lire coins of Italy.

The gold and silver coins of France, Belgium, and Switzerland are current in each of these countries; also the gold coins of Italy, and (except in Switzerland) the Austrian gold coin of 20 Francs (*i.e.*, a coin minted for circulation in the Latin Union of the value of 20 Francs). The Greek 2 Drachmai, 1 Drachma, and 50 Leptá pieces are no longer accepted in France, Belgium, or Switzerland.

**Caution.** South American Dollars, Roumanian, Spanish, and Sicilian coins are frequently passed on to travellers by unscrupulous persons in giving change. Such coins do not circulate in France,

Belgium, Switzerland, or Italy, and are worth considerably less than the current coins.

**Germany. Monetary Unit—the Mark of 100 Pfennige**

Copper—	1 Pfennig	..	..	0	0
"	2 Pfennige	..	..	0	0
Nickel—	5 "	..	..	0	0
"	10 "	..	..	0	1
"	20 "	..	..	0	2
Silver—	50 "	..	..	0	6
"	1 Mark	..	..	1	0
"	2 Marks	..	..	2	0
"	3 "	..	..	3	0
"	5 "	..	..	5	0
Gold—	10 "	..	..	10	0
"	20 "	..	..	20	0

Notes for 5, 10, 20, and 50 Marks are issued by the State, and notes for 100 and 1,000 Marks by the Reichsbank.

Various Banks in Bavaria, Saxony, etc., issue notes for 100 and 500 Marks. Thalers are now demonetised.

The exact value of the Mark is slightly under 1s., but for all practical purposes the statement in the text may be taken as accurate.

**Greece. Monetary Unit—the Drachma of 100 Leptá**

The circulating medium of Greece consists principally of paper, notes being issued for 1, 2, 5, 10, 25, 100, 500, and 1,000 Drachmai, with copper coins of 5 and 10 Leptá and nickel coins of 5, 10, and 20 Leptá for the divisional money.

Travellers are recommended to provide themselves with English or French gold.

Exchange: English sovereign, 27 00 drachmai; French 20 franc piece, about 21 50 drachmai. The rate of exchange varies considerably.

**Guernsey.** There are special pence, half-pence, and farthings coined, which are current in addition to British coins.

**Holland. Monetary Unit—1 Gulden of 100 Cents.**

Copper—	1 Cent	..	..	0	0 $\frac{1}{2}$
"	2 "	..	..	0	0 $\frac{1}{2}$
"	5 "	..	..	0	0 $\frac{1}{2}$
Silver—	10 "	..	..	0	2
"	25 "	..	..	0	5
"	50 "	..	..	0	10
"	1 Gulden (Guilder)	..	..	1	8
"	2 $\frac{1}{2}$ "	..	..	4	2
Gold—	10 "	..	..	16	8

Notes are issued by the Netherlands Bank for 10, 25, 40, 50, 60, 100, 200, 500, and 1,000 Gulden.

**Hong Kong.** Notes—per Dollar .. 1 8  $\frac{1}{2}$   
Silver—per Dollar .. 1 6

There are also silver coins of 50, 20, 10, and 5 Cents, and bronze coins of 1 and  $\frac{1}{2}$  Cents.

**Hungary.** (See *Austria*)

		Approximate value in English money	
		s.	d.
<b>Argental—continued</b>			
Gold —	1 Milreis ..	4	0
"	2 " ..	8	0
"	5 " ..	20	2
"	10 " ..	40	0

Notes are issued of 500 Reis and upwards. Gold is at a premium of about 5 per cent., and is not in general circulation.

The equivalents shown in the table are based on the nominal gold value, but the present value of a Milreis, whether in paper, is 4s.

The rate of exchange is very fluctuating.

<b>Rumania. Monetary Unit—Ley of Banis ..</b>		0	9½
Notes—per 100 Lei		76	0

**Russia. Monetary Unit—Rouble of Kopeks**

Copper—	1 Kopek ..	0	0½
"	2 Kopeks ..	0	0½
"	3 " ..	0	0½
"	5 " ..	0	1½
Nickel—	5 " ..	0	1½
"	10 " ..	0	2½
"	15 " ..	0	3½
"	20 " ..	0	5
Silver—	25 " ..	0	6½
"	50 " ..	1	0½
"	1 Rouble ..	2	1½
Gold —	5 Roubles ..	10	8
"	7½ " ..	16	0
"	10 " ..	21	4
"	15 " (Imperial)	32	0

Notes of 1, 3, 5, 10, 25, 50, 100, and 500 Roubles are in circulation, and are in par with gold.

Russian notes as follows are now out of date and of no value—

100 Roubles dated before 1887.

50 " " " 1869.

25 " " " 1888.

10 " " " 1893.

5 " " " 1895.

3 & 1 " dated on back of notes

<b>Servia. Monetary Unit—Dinar of Paras ..</b>		0	9½
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**South Africa.** The coinage is the same as in England, English gold and silver being legal tender. Notes are issued by the principal South African banks under arrangement with the Government for 10s., £1, £5, £10, £20, and legal tender throughout British South Africa.

English bank notes are at a discount from 1 to 2½ per cent.

In Portuguese territory the Milreis (100 Reis), about 4s., is principally used.

**Spain. Monetary Unit—Peseta of Centimos**

Bronze—	5 Centimos ..	0	0½
"	10 " ..	0	1
Silver—	50 " ..	0	4½

**Spain—continued**

Silver—	1 Peseta ..	0	9½
"	2 Pesetas ..	1	7
"	5 " ..	4	0
Gold —	20 " ..	16	0
"	25 " (Alfonso)	20	0

Notes of 25, 50, 100, 500, and 1,000 Pesetas are issued by the Bank of Spain.

Gold is at a premium of about 10 per cent., and is not in general circulation.

The rate of exchange is very fluctuating.

All silver coins prior to 1869 are uncurrent.

The equivalents shown in the table are based on the nominal gold value, but the present exchange for an English sovereign in Spanish notes and silver coin is 26·90 to 27·10 Pesetas.

**Sweden. (See Norway)**

**Switzerland. Monetary Unit—the Franc of 100 Centimes.**

Bronze—	1 Centime ..	0	0½
"	2 Centimes ..	0	0½
Nickel—	5 " ..	0	0½
"	10 " ..	0	1
"	20 " ..	0	2
Silver—	50 " ..	0	4½
"	1 Franc ..	0	9½
"	2 Francs ..	1	7
"	5 " ..	4	0
Gold —	20 " ..	16	0

Notes of 50, 100, 500, and 1,000 Francs are issued by several Swiss banks under arrangements with the Government, and are available throughout Switzerland. Gold is generally at a slight premium.

The silver coins bearing the figure of Helvetia in a sitting position, with the exception of the 5 Franc piece, are not current, and realise only their value as silver. (See notes under *France*.)

**Turkey. Monetary Unit—the Piastre of 40 Paras**

1 Piastre ..	0	2½
20 Piastrs = 1 silver Medjidie ..	3	7
100 " = 1 gold Turkish £ ..	18	0

The money most commonly used in Turkey by foreign travellers is the French 20 Franc piece.

**United States. Monetary Unit—1 Dollar of 100 Cents**

Copper—	1 Cent ..	0	0½
Nickel—	5 Cents ..	0	2½
Silver—	10 " (Dime) ..	0	5
"	25 " ..	1	0½
"	50 " ..	2	1
"	1 Dollar ..	4	2
Gold —	2½ Dollars ..	10	5
"	5 " ..	20	10
"	10 " (Eagle) ..	41	8
"	20 " ..	83	4

Notes, Greenbacks, Gold Certificates, Silver Certificates, and National Bank



In addition, there are the *mera* =  $\frac{1}{2}$  kilogramme, the *tonos* = 29 526 cwt., and the *oke* = 2 84 lb.

Holland. The metric system is in use, but the names used are as follows—

<i>Dutch</i>	<i>Metric</i>
El	Metre
Palm	Decimetre
Duum	Centimetre
Streep	Millimetre
Roede.	Decametre.
Mijle	Kilometre
Kan	Litre
Maatje	Decalitre
Vingerhoed.	Centilitre
Vat	Hectolitre
Wigtje	Gramme
Korrel	Decigramme
Lord	Decagramme
Onze	Hectogramme
Pond	Kilogramme
Bunder	Hectare

The old pound = 1 088 lb

Italy. The metric system is in use, but the names are as follows—

<i>Italian</i>	<i>Metric</i>
Metro	Metre
Decimetro	Decimetre
Centimetro	Centimetre
Millimetro	Millimetre
Decametro	Decametre
Ettometro	Hectometre
Chilometro	Kilometre
Miriometro	Myriametre
Ara	Are
Centiare.	Centiare
Ettare	Hectare
Litro	Litre
Decilitro	Decilitre
Decalitro	Decalitre
Ettolitro	Hectolitre
Chilolitro	Kilolitre
Gramma.	Gramme
Decigramma	Decigramme
Centigramma	Centigramme
Milligramma	Milligramme
Decagramma	Decagramme
Ettogramma	Hectogramme
Chilogramma	Kilogramme
Miriagramma	Myriagramme

Japan. (a) *Length*; the *shaku*, which is about a foot, the *ken* = 6 *shaku*, the *tcho* = 60 *ken*, and the *ri* = 36 *tcho*. The *ri* is, therefore, about  $2\frac{1}{2}$  English miles. The square *tcho* = 2 4507 English acres

(b) *Weight*, the *kan*, which is divided into 160 *momme*, equivalent to 1 3251 lb, the *kwan* ( $6\frac{1}{2}$  *kan*) = 8 2817 lb, and the *tan* = 100 *kan*.

(c) *Capacity*; the *shoo* = 397 gals or 0 496 bushels, the *to* = 10 *shoo*, and the *koku* = 10 *to*

Mexico. The metric system is in use, but the old Spanish weights and measures are still in existence

Norway. The metric system is in use.

Persia. (a) *Length*, the *gur* or *zer* is a measure which varies from 36 to 44 in, and the *parasang* =  $4\frac{1}{2}$  miles

(b) *Weight*, the *miskal* = 47 5 grains, and the *maund* =  $6\frac{1}{2}$  lb

(c) *Capacity*; the *chemica* = 289 gals, the *raphia* = 2 *chemicas*, and the *artata* = 1 809 bushels

Peru. The old Spanish weights and measures are in use.

Portugal. The metric system is in use

Roumania. The metric system is in use.

Russia. (a) *Length*, the *vershok* =  $1\frac{1}{2}$  in., the *stopa* = 8 *vershok*, the *arshine* = 2 *stopa*, the *saschen* = 3 *arshine*, and the *verst* = 500 *saschen*. The *verst* is, therefore, equal to 1166 3 yards, or 663 of an English mile. The Lithuanian mile = 5 56 English miles. The *dessiatine* is a square measure equal to 2,400 square *saschen* or 2 acres, 2 roods, 32 poles

(b) *Weight*, the *funt* = 9026 lb., the *pud* = 40 *funt*, the *berkovitz* = 10 *puds*, and the *packen* = 3 *berkovitz*. The *packen* is, therefore, about equal to 1083 lb. The *funt* is subdivided into 12 *lanas*, or 32 *lotti*, or 96 *zlotnicks*.

(c) *Capacity*; the *tscharkey* = 27049 gals., the *vedro* = 100 *tscharkeys*, the *anker* = 8 114 gals., the *chetvort* = 46 2 gals., and the *sarokowaja* = 108 196 gals

Servia. The metric system is in use

South American States. Except as separately noticed, the metric system is that commonly in use

Spain. The metric system is in use, and the names used are the same as in that system, except that the last letter of each weight and measure ends in *o* instead of *e*, e.g., *metro*, *litro*, *gramo*. The word *are* is changed into *area*

The old Spanish weights and measures which are still in use in some parts of Central and South America were as follows—

(a) *Length*, the Spanish foot = 10 958 in., and the *vara* = 2 782 ft. The square measure the *fanegada* =  $1\frac{1}{2}$  acres

(b) *Weight*, the *onza* = 063 lb, the *libra* = 1 1011 lb, and the *quintal* = 100 *libra*, or 110 143 lb

(c) *Capacity*, the *cuartillo* = 011 gals, the *azumbre* = 4 *cuartillos*, the *cuartilla* = 2 *azumbres*, and the *arroba mayor* = 4 *cuartillos*. The *arroba mayor* is, therefore, equal to about 3 55 gals

Sweden. The metric system is in general use, but some of the old measures and weights used in Denmark are still to be found, e.g., the *tomme* of 1 029 in, the *alen*, which is equal to 24 *tommes* or 24 714 in; the *lod* is rather more than  $\frac{1}{4}$  oz, and the *pund* = 1 102 lb. An English hundredweight = 102 Swedish pounds

Switzerland. The metric system is in use. There is also the weight known as the *pfund* = 1 1023 lb. The *pfund* is divided into 16 *unzen* or 32 *lots*. The standard of length is the foot of 3 decimetres = 11 811 in

Turkey. The metric system is in use, but the names applied are as follows—

<i>Turkish.</i>	<i>Metric.</i>
Arshin.	Metre
Oke	Kilogramme
Cantaro	100 kilogrammes
Cheque	1,000 kilogrammes

United States. The English imperial weights and measures are generally used, but there are also still in existence certain measures known as the old Winchester measures. These are as follows—

(a) *Liquid*, the pint and gallon are equal to 833 of the imperial pint and gallon. These apply to wines and spirits. A pint of beer = 1 017 pts

(b) *Dry*, the pint, gallon, bushel, and quarter are equal to 969 of the same imperial measure

FORESTALLING.—This is generally taken to mean any particular advantage which one person obtains in a market over another. In England, at one time, it was an offence for a person to buy up

Forfeited Shares Account,	Dr
Shareholders (Personal Account),	Dr
Premium on Shares Account,	Cr
Share Capital Account,	Cr

the effect of this entry being to re-establish the Issued Capital Account at its former amount, and a permanent liability in the shape of premiums on shares, instead of a Forfeited Shares Account, as mentioned above, which would be eliminated by this latter entry, the debit made to the Shareholders' Personal Account being made by a payment in cash and so balanced.

Particulars of shares forfeited are required to be given in the Annual Summary [q v]

**FORFEITURE.**—Formerly, when a person was convicted of a felony (q v), but not of a misdemeanour (q v), forfeiture of land and goods followed the conviction, but this severe penalty was finally abolished by a statute passed in 1870 in all cases except outlawry, and as outlawry is practically extinct, so forfeiture of goods and lands has become obsolete, as far as a general seizure of the whole of the same is concerned. But there are many statutes in force which impose forfeiture of special goods to which certain offences relate. Thus, if an attempt is made to smuggle tobacco or certain other goods which are liable to customs duties, not only is the smuggler subject to penalties, but forfeiture of the goods follows as a matter of course. Also for offences against the game laws and fishing, the offender is subjected to the forfeiture of any implements which he has in his possession for the carrying out of his purpose, such as snares, nets, etc.

In Scotland, forfeiture of movables still exists if a person is sentenced to death, or is convicted of certain crimes.

As to land alone, forfeiture to the Crown may still take place in case of an alienation in mortmain [q v], but this rarely happens.

Much more important, from a business point of view, is the case of forfeiture as between landlord and tenant, when a lease is liable to be forfeited for a breach of any of the covenants contained in the lease. Formerly this forfeiture worked great hardship in many cases, but by reason of the Conveyancing Acts of 1881 and 1892, the court now has power to grant relief against forfeiture, under certain procedure and subject to certain conditions being complied with by the tenant, in all cases except the following: (1) A covenant on the part of the tenant or lessee against underletting or assignment without the licence of the landlord; (2) a condition for forfeiture upon the bankruptcy of the tenant or lessee, or upon the taking possession of his interest under an execution which is enforced more than a year after the bankruptcy; (3) a covenant contained in a mining lease giving the lessor the right of access to and inspection of the premises, books, etc. Forfeiture of a lease takes place also if a tenant sets up a title to the property adverse to that of the landlord.

**FORGED TRANSFERS.**—The seller of registered stock or shares has not completed his bargain until he has delivered a transfer duly executed by the registered proprietor, and if by any chance the transfer he delivers is a spurious one, the signature of the transferor being a forgery, it is, of course, not a good delivery. In the ordinary way, if a company or the agents appointed by a Government, municipality, or company, as the case may be, give effect

to a forged transfer, the transferor out of whose name the stock has been wrongfully transferred has recourse against such company or transferring agent. With a view to protecting purchasers of stock and shares from loss through forged transfers, the Forged Transfers Acts, 1891 and 1892, were passed. The adoption of these Acts is not compulsory on companies, though many, and practically all the railway companies, have placed themselves under the provisions of the Acts, the principal provisions of which are—

"(1) Where a company or local authority issue or have issued shares, stock, or securities transferable by any instrument in writing, or by an entry in any books or register kept by or on behalf of the company or local authority, they shall have power to make compensation by a cash payment out of their funds for any loss arising from a transfer of any such shares, stock, or securities in pursuance of a forged transfer or of a transfer under a forged power of attorney, whether such loss arises, and whether the transfer or power of attorney was forged before or after the passing of this Act, and whether the person receiving such compensation, or any person through whom he claims, has or has not paid any fee or otherwise contributed to any fund out of which the compensation is paid. (The words 'whether such loss, etc,' were added by the 1892 Act.)

"(2) Any company or local authority may, if they think fit, provide either by fees not exceeding the rate of 1s. on every £100 transferred, with a minimum charge equal to that for £25, to be paid by the transferee upon the entry of the transfer in the books of the company or local authority, or by insurance, reservation of capital, accumulation of income, or in any other manner in which they may resolve upon, a fund to meet claims for such compensation. (The words 'with a minimum charge equal to that for £25' were added by the 1892 Act.)

"(3) For the purpose of providing such compensation, any company may borrow on the security of their property, and any local authority may borrow with the like consent and on the like security and subject to the like conditions as to repayment by means of instalments or the provision of a sinking fund, and otherwise as in the case of the securities in respect of which compensation is to be provided, but any money so borrowed by a local authority shall be repaid within a term not longer than five years. Any expenses incurred by a local authority in making compensation, or in the repayment of, or the payment of interest on, or otherwise in connection with, any loan raised as aforesaid, shall, except so far as they may be met by such fees as aforesaid, be paid out of the fund or rate on which the security in respect of which compensation is to be made is charged.

"(4) Any such company or local authority may impose such reasonable restrictions on the transfer of their shares, stock, or securities, or with respect to powers of attorney for the transfer thereof, as they may consider requisite for guarding against losses arising from forgery.

"(5) Where a company or local authority compensate a person under this Act for any loss arising from forgery, the company or local authority shall, without prejudice to any other rights or remedies, have the same rights and

bill by the acceptor, and the bill is delivered up, the rightful owner can demand the bill back and can sue the acceptor either on the instrument or on the consideration. The acceptor will then have a right of action against the holder for what is called "money had and received," or for conversion of the bill. It will then be the turn of the holder to seek his remedy against his transferor. The transferor will then proceed against his own transferor, and so on. Last of all the indorser or other person who took *through* the forged indorsement will come into possession of the bill, and his remedy will generally be of no avail. It will have been observed that the rightful owner of a bill which has been forged with the owner's signature has his first right of action against the acceptor, if the acceptor has paid the bill. If it happens that the acceptor has paid the holder, and the holder cannot be found, it is the acceptor who is the sole loser. There is no one against whom he can proceed.

As far as a bill or a promissory note is concerned, a banker is in no better position than any other person if he pays under a forged indorsement, though he is protected, as is shown later, if he pays a bill on demand drawn upon himself, *i.e.*, a cheque, bearing a forged indorsement. Bills are very frequently made payable at banks. A banker should, therefore, make special arrangements with his customers so as to minimise his chances of loss. If he fails to do so, and pays a bill bearing a forged acceptance or a forged indorsement, he cannot charge his customer with the amount paid. It is a banker's duty in the case of bills to see that all the indorsements are genuine—the signature of the acceptor is, of course, known to him in the ordinary way. He is not bound, however, to inquire into the genuineness of the signature of the drawer, as the acceptor himself, by the act of accepting, is estopped from denying the genuineness of the signature of the drawer. (See ACCEPTOR.) A banker who has paid a forged bill must give immediate notice to the holder whom he has paid that the bill is a forgery, so that such holder may at once proceed to recover against antecedent parties, not on the bill, for that is valueless if he obtained possession "through" a forged signature, but upon the consideration for which the bill was taken.

It would appear that there is no possibility of relief being granted in these cases of forgery, except where the party against whom such relief is sought is precluded by his own conduct from setting up the fact of the forgery as a defence. As it was pointed out above, a forgery cannot be ratified, and its existence renders the bill *prima facie* valueless. Thus, in an old case, a bill bearing a forged acceptance was negotiated to a holder in due course. The holder discovered the forgery and threatened to prosecute the forger, but was prevailed upon not to do so by the acceptor who wrote him a letter, stating, "I hold myself responsible for the bill bearing my signature." It was held that the acceptor was not liable on the bill, as the forgery of his signature could not be ratified. But where an acceptance was really forged, and the holder in due course having been informed that such was the case, wrote to make inquiries of the acceptor about it, and the acceptor replied that the signature was genuine, it was held that his conduct was such as to preclude him from setting up the forgery in an action on the bill. As to the other grounds of defence, through negligence, etc., each case must

depend upon its own facts, and it will be a question for a jury to state what is the nature of the whole transaction, and for the court to decide upon the liability resting upon the parties to the bill upon the jury's findings. In order to prevent difficulties arising, the court will restrain by injunction the negotiation of a bill held under a forged signature, or order it to be given up for cancellation. Also a defendant who believes that a bill is forged may at any time, by notice in writing, require the bill to be produced for his inspection.

The danger and the loss that may arise from forgery only tend to emphasise the need of precaution in accepting a bill or a cheque. If the bill or cheque bears a large number of indorsements, the transferee should decline to accept it unless he is acquainted with the signatures themselves, or obtains the indorsement of his immediate transferor, knowing him to be a man of sound financial standing and fully able to pay the amount of the instrument if it turns out to be irregular in any fashion.

The civil liability has alone been considered here. Of course, if the actual forger, or any person who has assisted in the forgery is discovered, he may be prosecuted and convicted for the felony.

Closely connected with a forged signature is an unauthorised signature, and the consideration of the latter naturally falls within the scope of the present article. A forged signature must be distinguished from an unauthorised signature, though the effect of the two is the same, in the absence of a ratification of the unauthorised signature. Every forged signature is, of course, unauthorised, but it does not follow that every unauthorised signature is a forgery. For example, a member of a partnership firm may sign a bill in the firm's name. He may have authority to sign the name, but he may also have no authority to sign bills. It is then a question of fact as to whether a bill so signed bears an authorised signature or not. It must always be remembered that a person who takes a bill bearing a procuration signature must be on his guard, and inquire as to the circumstances under which the authority to sign has been given. It is not necessary that the authority should be given in writing.

This necessity for carefulness is specially provided for by Section 25 of the Bills of Exchange Act, 1882, which is as follows—

"A signature by procuration operates as notice that the agent has but a limited authority to sign, and the principal is only bound by such signature if the agent in so signing was acting within the actual limits of his authority."

Two illustrations may make the point as to unauthorised signatures clearer. A, a partner in a trading firm, fraudulently accepted a bill in the firm name for a private debt of his own. It was negotiated to a holder in due course. In an action on the bill it was held that the firm was liable under A's signature. Any member of a trading firm may sign on behalf of the other members, and unless there are suspicious circumstances connected with the case, the firm must take the consequences. On the other hand, where a partner fraudulently indorsed a bill in the firm name to a person who afterwards received payment from the acceptor, such person being aware of the fraud, it was held that the money was recoverable. The remarks made in connection with forgery as to payment being made through or under the signature must be borne in mind. The fact that there is a signature on a bill which is not authorised

are usually on the following account; when it is desired to indicate this, it is stated that a bargain is "for good time."

**PORTIFYING.** This term signifies the mixing together of various qualities, or growths of wines or spirits for the purpose of improving or strengthening the whole.

**FORWARDING.** The act of sending forward merchandise for others.

**FORWARDING AGENT.** The person who undertakes the collection, forwarding, and delivery of goods.

**FORWARD PRICE.** The "forward" price of silver is the quotation for delivery and payment at a future date. The "cash" or "spot" price is for immediate delivery.

**PORT HEALTH.** A certificate granted by a consul or other competent authority to the master of a ship at the time of clearing a port, stating that the port is infected with disease. If a ship brings a foul bill, the authorities may order a period of quarantine, the length of time depending upon the circumstances of the case (See BILL OF HEALTH, (MARITIME)).

**FOUNDERS' SHARES.** In addition to preference and ordinary shares (*q.v.*), it was not at all uncommon at one time to find another class of shares, viz., founders' or deferred shares. Lately, such shares have become less usual, but they are still met with if companies are incorporated for great undertakings, especially houses, when it is hoped that the results will be of a gigantic nature. Founders' shares are usually subscribed for and taken by the vendors to, and the promoters of, the company. In the ordinary course of things no dividend is payable upon such shares until after the ordinary shareholders have received a minimum dividend. But any arrangement can be made in the articles as to the rate and distribution of profits. This often renders itself into the taking of the surplus profits, after providing a certain dividend upon the ordinary shares, which, of course, will not have received anything until the claims of the preference shares have been satisfied. It is obvious that if the company is very successful, the profits of the holders of founders' shares may be very considerable, some persons look upon companies having founders' shares with disfavour, when arrangements are made by which the holders are likely to be largely benefited. On the other hand, however, there is always this point to consider. By securing the creation of the holders, who will not receive any profits unless the business is a success, the company is much more likely to flourish than if there were no such stimulus applicable. Instead of founders' shares, there may be a class of "management" shares created. The rights attached to such shares will be prescribed by the articles. It will be recollected that a statement as to the number of founders, or management, or deferred shares, and the nature and extent of the interest of the holders in the property and profit of the company must be set forth in the prospectus.

**FOX.** A carnivorous animal of the dog family, valuable in commerce for its fur and its long, bushy tail, or "brush." The common fox is found in many parts of Europe, Asia, and America. It varies greatly in colour. The grey fox is very common in North America, where, too, the red, white, blue, and silver varieties are found. The fur of the steel-blue fox is white in colour, and is much valued, though not so highly as that of the silver fox, which commands further very high prices, this in

being the chief purchaser. It is found in Alaska, British Columbia, and the Hudson Bay territory. Siberia does a large trade in red fox, and Great Britain's imports consist mainly of the white variety.

**FRANC.** (See FOREIGN MONIES - BRITAIN, FRANCE, SWITZERLAND.)

**FRANCE.** Position, Area, and Population. France lies to the south and south east of England. Its northern extremity is in the same latitude as southern England, and its furthest point west lies south of Cornwall. Eastward, the country extends as far as 75° E. longitude, while southward it reaches latitude 42° 5' N. latitude.

The total area, including Corsica, is calculated by the Geographical Bureau of the Army as 207,127 and by the Survey Department as 201,210 square miles. The population numbers 39,376,000.

The position of France as the nearest continental country to England, and as poster in the English Channel (La Manche), has always exercised great influence upon the history of both countries. Before the counts of Flanders were strong enough to bring the whole country under one rule, the Channel acted as a link by which one ruler governed the south of Britain and the north and west of France. Calais, which, with Dover, commands the narrowest part of the dividing sea, was the last town to be given up by the English, who still retain, however, the Channel Islands as a reminder of the extent of the power of former rulers. Lying on the overland route between England and the East, rather via Marseilles or Brindisi, a considerable amount of British trade passes through France, the amount now being augmented by the linking up of the railways across Europe to Constantinople.

**Statement of Population.** The population at present increases very slowly; in some departments it shows an actual decrease, due partly to the low birth rate, and partly to the movement from the country to the town.

In 1816 25 per cent. of the people lived in the country; the percentage is now only 53 per cent. The population is more evenly distributed throughout the land than in the United Kingdom, to some extent because of the greater number employed in agriculture, and also because on account of the distribution of the soil and the smallness of the output there is a less concentration of industries on small areas. In 1896 the total population was 39,210,000; in 1890, 36,515,000; in 1881, 30,041,000; and in 1866, 20,252,245. Parisians, who number over a million, reside chiefly in the large towns and there near the borders. In 1881 a fourth of the population is foreign. It is estimated that a quarter of a million Frenchmen reside abroad. The statistics of emigration are available, but the number of Frenchmen leaving the country is probably about 10,000 per annum. Those from the French Alps pass generally to Mexico, and are there known as *Panachons*; the Basques go to Argentina and Uruguay; while many in the south cross the Mediterranean to Africa's principal Algeria to engage in viticulture.

**Surface and Climate.** A line from Bordeaux to the south-west to the Ardennes in the north-east divides France roughly into two regions of different build. To the north and west is a lowland region by prongs of hills; to the south and east is a hilly and mountainous country, in which lie a number of important valleys. Of these valleys, the most important is that of the Rhone, running north and

flows to the Gulf of Lion, which it enters through a delta by a number of mouths. From Arles, near the head of the delta, to St Louis on the coast, is a waterway suitable for small steamers, but, chiefly on account of the speed of the current, navigation between the delta and Lyons is difficult, although the downward journey is easily made. The Saône is a first-class waterway, and is connected by first-class canals with the Seine, Rhine, and Meuse. The Rhone and Rhine Canal, through the lowland between the Jura and the Vosges, connects it with the Rhine, and the Canal du Centre with the Loire.

The Seine and its chief tributaries, Yonne, Marne, and Oise, rise in the hills of Burgundy and Champagne and the Ardennes. The whole system converges on the Paris region, whence the main stream flows north-westward to the English Channel. The old ports of Honfleur and Harfleur have now fallen into disuse, the former being silted up and the latter displaced by Havre. The navigation of the estuary is somewhat difficult on account of the banks formed by the silt brought down, and small steamers can avoid it by the Tancarville canal from Havre, although this is much less used than formerly. The bed of the river has been dredged so as to allow steamers drawing 22 ft of water to reach Rouen, thus enabling that city to receive the coal and raw cotton for its industries direct. Above Rouen, dredging has made it possible for ships drawing 10 ft to reach Paris, which is in direct communication by water with Nantes and London. First-class waterways connect it with the Rhone, Rhine, and Meuse, and also with Antwerp and other Belgian ports, while smaller canals lead to the Loire. The Marne and Rhine Canal, with 180 locks, crosses the Vosges at a height of 1,100 ft. The Burgundy Canal, with 191 locks, joins the Yonne with the Saône, rising, in crossing the Cote d'Or, to a height of over 1,200 ft above the sea.

The Loire, with its tributary the Allier, rises in the Central Plateau, and flowing generally northward as far as Orleans, turns westward to the Bay of Biscay. Its lower course is sluggish, and subject to considerable variations in volume on account of the peculiar character of soil in its upper basin. Here the rocks, having little power of absorption, allow the rain to run off quickly and flood the rivers, after which they fall rapidly. The increase in the size of ships led to the rise of St Nazaire at the mouth at the expense of Nantes at the head of the estuary, but a ship canal now enables vessels drawing 21 ft to proceed direct to Nantes.

The Dordogne and the Garonne draw their waters from the Central Plateau and the Pyrenees, and converge on Bordeaux, entering the Bay of Biscay by the Gironde estuary. From Toulouse on the Garonne, the Canal du Midi passes through Carcassonne and Cette to the Rhone, thus connecting the Atlantic with the Mediterranean. The proposal has often been made to construct a ship canal along this route in order to save the long voyage round Spain, but at present the Canal du Midi is a second-class waterway.

Of the smaller rivers, the most important is the Somme in the basin of which lie a number of small industrial towns connected by water with the Seine basin and Belgium.

Climate. In the north the climate is similar to that of the south of England, in the south, where, in the neighbourhood of Nice, the mountains keep out the cold northerly winds, the orange will ripen

Lying on the west coast of Europe and in the track of the prevailing westerly winds, the rainfall is sufficient for agriculture. As the higher mountains lie on the east and south, it is there that most rain falls, amounting generally to more than 60 in. on the slope of the Alps, Vosges, and the western half of the Pyrenees. The lowest rainfall is found on the Mediterranean coast adjoining the Spanish border. The absence of mountains on the northern frontiers leaves the region around and to the north-east of Paris open to the extremes of winter cold and summer heat of continental Europe. At Nantes, practically at sea level, frost is almost unknown; but on the elevated region of the Central Plateau bitterly cold weather is experienced in winter. In the upper Alpine regions, which include Mont Blanc, the highest point in western Europe, low temperatures are, of course, experienced. The Rhone Valley, with much of the lowland bordering the Mediterranean region, protected by the Cevennes, Alps, and other mountains, is open only to southerly influences, and has, consequently, a warm and somewhat damp climate. In the south-east, contiguous with the similar region of Italy, is the Riviera whose mild winters, due to the protection from northerly influences by the Alps, draw a large temporary population from the colder parts of Europe.

In the higher Alpine valleys there is a temporary summer population, the shepherds taking their flocks there when the snow has melted in early summer and returning to the lower valleys in winter.

**Agricultural Productions.** Roughly, half the population of France is dependent directly upon agriculture, and half the land is under crops. The lowlands generally and the valleys are fertile, the most infertile lowland area being the Landes, bordering the Bay of Biscay in the south-west. Owing to the customary system of land tenure, the number of peasant proprietors, with very small holdings that are better described as gardens than farms, is very large. The most important crops are cereals. Wheat is the most widely and most extensively grown, the area under it being 16,000,000 acres. Oats occupy 9,500,000 acres, rye, 3,000,000, barley, 1,750,000, buckwheat, 1,250,000, and maize, rather less. Barley is grown mostly in the north and east, and maize in Aquitaine. Of countries for which statistics are available, France comes next to the United States in the annual amount of wheat produced. The average produce per acre, however, is less than in Britain.

Other crops in order of importance are the vine, potato, mangold, beet, olive, mulberry, colza, hemp, flax, and tobacco. The mulberry is grown chiefly in the Rhone Valley as food for the silkworm, and the olive flourishes in Provence. Beet is most largely grown in the north, in Flanders and Picardy, much is also grown in Bre, Beauce, and Limagne. Part is used for the production of sugar, but the bulk for the manufacture of spirit.

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the infertile country known as the Landes. Along the banks of the Garonne, the Dordogne, and their principal tributaries are extensive vineyards, whose surplus produce is exported from *Bordeaux* (251,917) the fifth port of France. Large vessels, however, do not go beyond Pauillac, nearer the mouth.

*Toulouse* (149,438), on the Garonne, where the Canal du Midi joins it, is in the centre of an agricultural region and a grain market. Like Carcassonne, it will benefit by a trans-Pyrenean railway.

*Barritz* is a cosmopolitan watering-place near the Spanish border.

*Pau* (35,044), *Cauterets*, *Lourdes*, *Bagnères de Bigorre*, *Bagnères de Luchon*, and other small places along the foot of the Pyrenees have thermal and medicinal springs of repute.

**Languages.** Although the French of the Paris region is used by the bulk of the people, a number of dialects are found, the chief being Walloon in the north and Provençal in the south. In the south the same languages are found on both sides of the Spanish border, Basque in the west, and Catalan in the east. In Brittany, several Breton dialects, akin to Welsh, are spoken.

**Summary of French Territories, with their Areas and Populations.**

	Area in Square Miles	Population
<i>France</i>	207,054	39,376,000
<i>In Africa—</i>		
Algeria	343,500	5,231,850
Tunis . . . . .	45,779	1,500,000
Sahara . . . . .	1,544,000	800,000
Senegal . . . . .		915,000
Upper Senegal and Niger . . . . .		4,415,000
Guinea . . . . .	1,585,810	1,498,000
Ivory Coast . . . . .		890,000
Dahomey . . . . .		749,000
Mauritania . . . . .		400,000
Equatorial Africa (Treaty of Nov 4, 1911)	568,460	4,000,000
Reunion . . . . .	970	201,000
Madagascar . . . . .	226,015	2,701,000
Mayotte . . . . .	840	96,000
Somali Coast . . . . .	5,790	180,000
<i>In Asia—</i>		
India . . . . .	196	277,000
Indo-China . . . . .	309,980	16,317,000
<i>In America—</i>		
St. Pierre & Miquelon	96	6,000
West Indies . . . . .	1,066	364,000
Guinea . . . . .	34,060	27,000
<i>In the Pacific—</i>		
New Caledonia . . . . .	7,200	55,800
Other Islands . . . . .	1,544	30,000
Total of possessions outside France . . . . .	4,675,306	40,653,650
Total with France . . . . .	4,882,360	79,905,895

**ALGERIA.** Algeria was first occupied by the French in 1830, since when the area has been greatly extended, now reaching as far south as latitude 26° N. The east and west limits are 2½° W and 8½° E. South of 32° N is within the Sahara, and has an area altogether out of proportion to its importance. The region between the coast and 32° has an area of 184,474 square miles and a population of about 5,000,000.

The two ranges of the Atlas divide the country into three natural regions. The Tell in the north,

comprising the coast region and the wooded lower slopes of the adjoining mountains, a desert region with oases in the south, and between these an arid upland region with great stretches of alfa grass.

For some purposes the country is regarded as a part of France. Each of the three departments into which it is divided—Oran in the west, Algiers in the centre, and Constantine in the east—sends a senator and two deputies to Paris and provides a division of the XIXth Army Corps, Tunisia providing the fourth division. The northern part is under a civil Governor-General and the southern under a military officer. The part under the former has always grown at the expense of the latter, and it is intended that eventually the whole will come under the civil power.

**The People.** Until the Arab invasion in the twelfth century, the predominant race was the Berber. These were driven to the mountainous regions by the invaders, most of whom still lead a nomadic life. The most important division of the Berbers are the Kabyles, who keep enormous herds of sheep and goats. There is a considerable Jewish element, especially in the towns. Arabic is the prevailing language, many dialects of it being spoken.

**Communications, Trade, and Towns.** There are 1,859 miles of first-class roads, 2,000 miles of rail, and over 200 miles of tramway in Algeria. From near the Moroccan frontier the railway line runs roughly parallel to, and at some distance from, the coast, except where it passes through *Algiers*, and is connected with the Tunisian railways. Short lines connect this east and west system with the coast at *Oran*, *Mostaganem*, *Bougie*, *Philipville*, and *Bone*, while others run inland to the oases of *Tebessa*, *Biskra*, and *Figig*. The ports on the railway are connected with Marseilles and with one another by the Compagnie Generale Transatlantique. From Oran there is a service to Carthage in Spain, and from Bone to Corsica and Sardinia, while another service runs from Algiers to Bordeaux via Oran, Tangiers, and Gibraltar.

The bulk of the trade is with France. In the trade with foreign countries, Great Britain leads both in exports and imports.

Of the imports, which average £18,000,000 per annum, cottons are the largest item, amounting to one-ninth of the total. The next in order of value are clothing, machinery and other metal goods, woodwork, vegetable oil, skins and leather, sugar, and timber.

The exports average £13,000,000, the chief articles being wine, £3,400,000, sheep, £1,200,000, and wheat, £1,200,000. Then come barley, wool, phosphates, cork, fruit, zinc ore, iron ore, hides and skins, tobacco, and olive oil.

**Minerals.** The chief ores mined are iron, zinc, and lead. Antimony, chrome, and manganese are also found. The chief iron centres are Mokra, near Bone, and the region behind Beni Sauf, near the Moroccan borders, from which large quantities are exported. The ore generally lies close enough to the surface to be obtained by quarrying. Ornamental stone of fine quality is quarried at Kleber in Oran and Ain Smara in Constantine. Phosphates, especially near Tebessa, are being largely exploited by British companies. Petroleum is known to exist in Oran, but as yet is not worked.

**Climate and Agriculture.** In the north the winters are cool and moist, and the summers hot and dry. To the south, and in exposed parts the climate





*Mao* is the capital of the native State of Kanem, and

*Abeshr*, the capital of Wadai, is the southern terminus of the caravan routes across the Sahara, through Fezza to Benghazi on the Mediterranean.

**REUNION.** Reunion (at one time called Bourbon) is a volcanic island, 420 miles east of Madagascar. It has an area of 965 square miles and a population of 178,000. The highest point, Piton des Neiges in the north-west, is 10,070 ft high, and Piton des Fournaise, a still active volcano, 6,612 ft. On account of the mountainous character of the island, the chief towns are on or near the coast.

*Pointes-des-Galets* is the chief port.

*St Denis*, the capital, with a population of 25,689, is in the extreme north of the island. It is connected by rail with *St Benoit* on the east coast and through *St Paul* (20,091) to *St Louis* (12,846), and *St Pierre* (31,927) on the south-west. On the south coast are *St Joseph* and *St Philippe*. Inland, facing north-east, are the Sanatoria of *Helbourg* and *Salazie*, at a height of about 2,500 ft. A submarine cable connects the island with Tamatave in Madagascar.

At first noted for coffee, Reunion became, during last century, a great sugar producing island, until the extended cultivation of beet in Europe. The production of sugar in 1860 was 82,000 tons, now it has fallen to less than half. It is, however, still the chief export, other exports being rum, coffee, tapioca, vanilla, and spices.

The colony has considerable powers of self-government, and sends a senator and two deputies to Paris.

**MADAGASCAR Position, Area, and Population.** Madagascar is a large island in the Indian Ocean, off the south-east coast of Africa, from which it is separated by the Mozambique Channel, 230 miles wide at the narrowest part. It runs north and south a distance of 980 miles between parallels 12° and 25° S, so that it lies chiefly within the tropics.

The greatest width (360 miles) occurs about the middle. The range of longitude is from 43° to 50½° E. The area is 228,000 square miles, and the population 2,700,601.

Its position in the southern hemisphere corresponds roughly to that of India in the northern hemisphere, Bombay being rather nearer to the Equator than Antananarivo, its capital.

Throughout its length runs a range of high land, the highest point of which, Ankaratra, an extinct volcano, is 9,000 ft above the sea. This range, lying close to the east coast, gives the western half of the island a long slope to the sea, with some navigable rivers.

A remarkable feature of the east coast is its evenness and straightness from Foulpointe southwards for a distance of close on 500 miles. Between the coast and the mountains is a narrow, flat plain, with many lagoons, which afford navigation for light canoes, and might easily be connected so as to form a continuous waterway for such craft, parallel to the coast, and protected from the sea.

The largest rivers in the west are the Betsiboka, Tsiribihina, Mangoky, and Onilahy. These are navigable for light draught vessels for long distances, which in some cases could easily be extended by the artificial clearing of the channel. The eastern rivers, from the very nature of the country, are short and rapid, flowing through deep, steep-sided valleys. The largest is the Mangoro.

**Climate.** There are two seasons. a hot, rainy

season from November till April, and a cool season for the rest of the year. This division is not altogether applicable to the steep eastern side, which, being exposed to the south-east trade winds throughout the greater part of the year, has a much longer rainy season.

**The People.** The people of Madagascar are known collectively as the Malagasy. They are divided into many sections, with intermixtures in various parts of Negro, Arab, and Melanesian blood. The dominant race are the Hovas, whose language is understood almost universally.

**Products.** Although the island is rich in tropical forest products, and the mineral wealth is considerable, the principal occupations are agriculture and cattle rearing, nearly 3,000,000 cattle being kept.

Foreigners are allowed to hold land, and the minerals are now being exploited, chiefly by Europeans, gold being the most valuable export.

**Trade and Transport.** Before the French occupation there were no roads suitable for wheeled traffic, and goods are still carried to a large extent by porters.

*Antananarivo*, the capital, with a population of 72,000, stands on a fertile and populous plateau, and has an increasing number of administrative, educational, and ecclesiastical buildings. The only town of size, besides the capital, is *Fianarantsoa*, with a population of 27,000. Other towns, with their population are: *Tamatave* (7,000), *Andovoranto* (5,600), *Majunga* (4,600), *Diego Suarez* (4,500), *Ambositra* (3,000), *Tulcar* (3,000), *Mananjary* (2,600), and *Fort Dauphin*.

*Diego Suarez*, at one time a separate colony, and the islands of Nosy Bé and Sainte Marie are now incorporated with Madagascar.

The capital is now linked by wagon roads with the ports of Majunga, at the mouth of the Betsiboka, on the north-west, and Tamatave on the east. A railway is almost completed along the latter route. South of Tamatave, the line of lagoons allows small boats to traverse the coast region for considerable distances.

The bulk of the commerce, owing largely to tariffs which adversely affect British trade, is with France. Of foreign countries, the imports are derived principally from the United Kingdom and other parts of the empire, while Germany takes most exports, the United Kingdom being second.

The imports, which average one and a quarter million sterling, are textiles, forming more than a third of the total value, rum and other liquors, metal goods, coal, and flour.

The exports, valued on an average at a million sterling, are gold, hides, rafia, rubber, wax, and vanilla.

The Comoro Islands, at the northern end of the Mozambique Channel, are also administered as a part of Madagascar. They have an area of about 750 square miles and a population of nearly 100,000. The largest are Grande Comoro, Moheli or Mohilla, Anjonan or Johanna, and Mayotte. In Grande Comoro the forest supplies timber specially suited for railway sleepers. Vanilla, cacao, sugar, aloes, and perfume plants are grown in the other islands for export.

**FRENCH INDIA AND INDO-CHINA** FRENCH INDIA has an area of about 196 square miles, and a population of about 290,000. It consists of the five towns, *Pondichery* (47,000), *Karikal* (17,000), *Chandannagar* (23,000), *Mahe* (10,000), and *Yanaon* (5,000), with the surrounding territories. Rice is

with a full knowledge of its falsehood, or made recklessly without any belief in its truth, or not caring whether it is true or not, with the intention that such representation should be acted upon by the party who is defrauded, and actually inducing him to act upon it

Fraud is always a good ground for seeking the avoidance of a contract, although it does not of itself render the contract void. When a person has been induced to enter into a contract by reason of a fraudulent representation, he may either repudiate the contract or he may adopt it, but in the latter case he is entitled to sue for any damages which he may have sustained. It is, however, important that the person who has been defrauded should take action without undue delay, otherwise he will be considered to have waived his rights.

Any fraudulent statements which are made in writing as to a person's financial stability, and upon which another person acts to his own detriment, may give rise to an action for deceit (*qv*). Again, directors are liable for fraudulent statements contained in a prospectus inviting the public to apply for shares in a joint stock company, unless they are able to claim the protection accorded by the Companies (Consolidation) Act, 1908, which has now replaced the special provisions contained in the Directors' Liability Act, 1890.

Also a principal is liable for the fraud of his agent, if such fraud is connected with the ordinary conduct of the agency (*qv*).

Gifts and conveyances of property, whether of lands or chattels, are fraudulent if they are made for the purpose of delaying or defrauding creditors, and as such they are null and void against the creditors. This rule, however, does not extend to conveyances that are made for valuable consideration and *bona fide* to persons who have no notice of the fraud. But there may be circumstances in which fraud will be presumed from the very nature of the transactions.

As to fraudulent transactions in bankruptcy, see FRAUDULENT PREFERENCE.

**FRAUDS, STATUTE OF.**—The Statute of Frauds (29 Car 2, c 3), which was passed in 1678, still remains one of the keystones of English law, and a great practical protection of the citizen against bogus or vexatious or fraudulent actions at law. This protection it affords by requiring certain transactions to be put into writing, and by providing that in certain other cases an action cannot be brought to enforce a promise or contract unless the terms of the alleged contract are evidenced by some adequate written document. The first class may be dismissed in a few words, since, though of the greatest possible importance to conveyancers and those having dealings in land, they are not intimately connected with ordinary mercantile transactions—they provide, as supplemented by the Law of Real Property Act, 1845, that all conveyances of land, all legal mortgages, and all leases of land or buildings for more than three years, or where the rent is not equal to two-thirds of the annual value of the premises, and all assignments and surrenders of leases, must be made by deed (*qv*).

The other class demands more detailed treatment. By Section 4 of the Act it is provided that—

"No action shall be brought (1) whereby to charge any executor or administrator upon any special promise to answer damages out of his own estate, or

"(2) whereby to charge the defendant upon any

special promise to answer for the debt, default, or miscarriage of another person; or

"(3) to charge any person upon any agreement made in consideration of marriage; or

"(4) upon any contract or sale of lands, tenements, or hereditaments, or any interest in or concerning them; or

"(5) upon any agreement that is not to be performed within the space of one year from the making thereof: unless the agreement upon which such action shall be brought, or some memorandum or note thereof, shall be in writing, and signed by the party to be charged therewith, or some other person thereunto by him lawfully authorised."

It will be observed that the presence or absence of writing does not affect the validity of the contract in question, all that the Section provides is that a party shall not have the assistance of the courts of law to enforce his rights in any one of these particular contracts, unless he has obtained, before action is brought, such a memorandum or note in writing, signed by or on behalf of the other party, as satisfies the requirements of the statute.

Of the five special contracts named in the Section, only Nos (2) and (5) really come within the range of mercantile transactions. Contracts of guarantee or suretyship are fully treated under the heading GUARANTEE (*qv*), and there only remains the contract extending over a year to be dealt with in this article.

As regards contracts of this nature, the statute only applies where the contract clearly shows that the parties contemplated that its performance should extend over a longer period than one year; if it is possible that the contract may be performed within the year by both parties, though, in fact, it is not so performed, the statute does not apply. On the other hand, the mere fact that a contract, which contemplates that its performance will extend over a longer period than a year, may be terminated, or is, in fact, terminated during the year, does not prevent the application of the statute. The question whether the statute applies or not is often raised in connection with contracts of service (as to these, see MASTER AND SERVANT), if the contract of service is for more than a year, or is for a year's service to commence at a future day, it must be evidenced by writing. For legal reasons which we need not here enter into, it has been held that a contract for a year's service to commence on the day after the day on which the agreement is made is not within the statute, and does not require to be in writing (see *Smith v. Gold Coast and Ashanti Explorers, Ltd* (1903), 1 KB 538). A hiring for an indefinite period, and a general hiring from year to year, are not within the statute. An agreement for employment for a period of two or more years, subject to six months' notice on either side during the period, is within the statute, and must be evidenced by writing (*Hanau v Ehrlich*, 1912, A C 39).

The memorandum or note in writing required by the statute need not be made at the time the contract is entered into, it is sufficient if it is obtained at any time before the writ or summons is issued, which commences the action brought to enforce the contract. No special form is required, and it need not be in the nature of an agreement, so long as it sets out the parties, either by name or sufficient description, the consideration (*qv*), the subject-matter, and the other terms of the contract, and

way of his trade, any property on credit, and has not paid for the same, or if he pawns, pledges, or disposes, otherwise than in the ordinary way of his trade, of any property which he has obtained on credit and has not paid for, unless the jury is satisfied that he had no intention to defraud.

In relation to bankruptcy, it is also necessary to bear in mind the following offences—

If a man who is adjudged bankrupt, or in respect of whose estate a receiving order has been made, either after the presentation of a petition or within four months before that date quits England and takes with him or attempts to take any property to the amount of £20 or upwards, which ought by law to be divided among his creditors, he shall (unless the jury is satisfied that he had no intent to defraud) be guilty of felony and punishable with two years' imprisonment. Again, where an undischarged bankrupt obtains credit to the extent of £20 or upwards from any person without informing such person that he is an undischarged bankrupt, he is guilty of a misdemeanour.

There are other offences of which a debtor may be found guilty wholly apart from the law of bankruptcy. Thus it is an offence—

(a) if in incurring any debt or liability, a man obtains credit under false pretences, or by means of any other fraud,

(b) if he has with intent to defraud his creditors, or any of them, made or caused to be made any gift, delivery, or transfer of, or any charge on, his property,

(c) if he has with intent to defraud his creditors concealed or removed any part of his property since or within two months before the date of any unsatisfied judgment or order for payment of money obtained against him.

If a trustee in bankruptcy reports that a bankrupt has been guilty of an offence, the court, if satisfied on the representation of any creditor or member of the committee of inspection that the bankrupt is guilty, and that there is reasonable probability of a conviction, may order the trustee to prosecute. The court will not try the question whether the evidence is sufficient to induce a jury to find the prisoner guilty, but a prosecution will not be directed on mere suspicion. Where there is ground to believe that the bankrupt or any other person has been guilty of the offences above referred to, the court may commit him for trial, and may take depositions, and bind over witnesses to appear, admit the accused to bail, or otherwise. Where a debtor has been guilty of any criminal offence, he does not become exempt from prosecution by reason that he has obtained his discharge or that a composition or scheme of arrangement has been accepted or approved.

**FRAUDULENT PREFERENCE** (and see **UNDUE PREFERENCE**).—A "fraudulent preference" means payment made by a debtor to some one or more of his creditors with a view to putting him or them in a position of advantage compared with other creditors. Thus, if a man who owed £1,000 to various creditors made over all his assets (say, £200) to one creditor to whom he owed that sum, there would be nothing left for other creditors. The law of bankruptcy, therefore, provides that every conveyance or transference of property, or charge thereon made, every payment made, every obligation incurred, and every judicial proceeding taken or suffered by any person unable to pay his debts as they become due from his own money, in

favour of any creditor, or any person in trust for any creditor, with a view of giving such creditor a preference over the other creditors, shall, if the person making, taking, paying, or suffering the same is adjudged bankrupt on a bankruptcy petition presented within three months after the date of making or taking, paying, or suffering the same, be deemed fraudulent and void as against the trustee in the bankruptcy. The rights of any person making title in good faith and for valuable consideration through or under a creditor of the bankrupt are not, however, affected. A debtor making any conveyance or transfer of his property, which is void as a fraudulent preference, commits an act of bankruptcy. It is essential (1) that the conveyance, etc., be by a person unable to pay his debts as they become due, (2) that it be made with a view to giving a creditor a preference over creditors. It is sufficient, to constitute the statutory fraudulent preference, that the preferring the creditor was the substantial, effectual, or dominant view with which the debtor made the preference. The "preference" must be voluntary on the part of the debtor, for a payment under pressure is no preference, unless, indeed, the desire to prefer was the dominant view operating in the mind of the person who made the payment. A payment of trade bills by a person who knows himself to be insolvent, but who is continuing to carry on business, is not necessarily a fraudulent preference, the inference being that the payment was made to carry on his business. The following are not fraudulent preferences: Payments made—in pursuance of a precedent contract, in apprehension of legal proceedings, where the debtor honestly believes he is under legal obligation, with a view to preventing a surety being called upon to pay. That the object of the legislature is to prevent every kind of fraudulent preference appears from the provision that "to suffer a judicial proceeding" is to be guilty of a fraudulent preference. The onus of proving that a transaction is a fraudulent preference lies on the trustee in bankruptcy; and it will not be sufficient to show that the debtor was insolvent, he must give some evidence of a desire to prefer on the part of a debtor. In calculating the period of three months, the days of presentation of the petition is to be excluded. The fact that an undue preference is given to a creditor is ground for refusing the discharge. An undue preference is wider than a fraudulent preference. To pay a creditor in full, although he was likely to be a preferred creditor, would be to show him undue preference.

**FREE ALONGSIDE SHIP.**—This is a commercial phrase indicating that goods are sold, including free delivery, alongside the ship. The cost of placing the goods on board the ship must be borne by the purchaser.

**FREEBENCH.**—This is the right of a widow to a life interest in the copyhold estates of her deceased intestate husband under certain conditions. It has been thus treated of by a well-known legal authority. "A special custom is required to entitle the wife to any interest in the lands of her husband after his decease. Where such custom exists, the wife's interest is termed her freebench, and it generally consists of a life interest in a divided third part of the lands, or sometimes of a life interest in the entirety." Obviously, therefore, freebench acts to dowry, which is the respect of the



freight, but the repayment does not depend upon the freight being earned. On the other hand, if freight is to be paid in advance, it can in no case be recovered. The difference between an advance and a payment of freight in advance affects the manner of insuring. The charterer is the proper person to insure advances of freight, since he is at risk in respect of them. Not so advances of cash irrespective of the freight, for these must be repaid in any event, and are, therefore, not at risk. If, then, the charter party shows that it is the intention of the parties that the merchant making the advances shall insure them, that is strong evidence to show that the advances are to be on account of freight.

**When Payable.** If the ship is disabled from completing her voyage, the shipowner may still entitle himself to the whole freight by forwarding the goods by some other means to the place of destination; but he has no right to any freight if they are not so forwarded, unless the forwarding them is dispensed with, or unless there is some new bargain upon the subject. If the shipowner will not forward them, the freighter is entitled to them without paying anything. The general property in the goods is in the freighter, the shipowner has no right to withhold the possession from him, unless he has either earned his freight, or is going to earn it. If no freight is earned, and he declines proceeding to earn any, the freighter has a right to possession. To entitle a shipowner, in the absence of a special contract, to demand *pro rata* freight, where the goods have been sold at an intermediate port (being so much damaged as not to be worth forwarding) it must be shown that the owner of the goods had an option of having them sent or of accepting them at such intermediate port. Actual delivery of the cargo is not necessary to entitle the shipowner to freight, if he is ready to deliver at the proper place, the freight is then due. When the freight is payable on delivery, the consignee should be ready to pay it at once, concurrently with the delivery of the goods. He cannot require the whole of the goods contained in the bill of lading to be discharged before making any payment. By the abandonment of a ship by its crew during a voyage, without any intention to retake possession, a right is given to the owner of cargo on board to treat the contract of affreightment as at an end.

**Manner of Calculating Freight.** The bill of lading or the charter party generally states the rate at which the freight is to be paid, but if it does not, and the contract shows that freight is to be paid, it must be calculated at the ordinary rates ruling at the time the shipment was made. Goods shipped from abroad, and consigned to a merchant in this country, are to be paid for (upon a demand for freight) according to their net weight, and not according to the weights expressed in the bill of lading, unless there is a special contract so to pay for them. In the absence of an agreement, or of a uniform custom of trade to the contrary, the rule is that, if the weights or measurements at the loading port and the port of delivery differ, the lowest weight or measurement is to be taken in calculating the freight. So that if the cargo has swelled on the voyage, the freight is payable on the quantity as shipped, while if it has wasted, as by drainage or evaporation, the quantity to be taken is that on delivery. The rule as to measurement may be controlled by an established uniform usage in the particular trade. If the freight is expressly to be paid upon the quantity as stated in the bill

of lading, it is not open to either party, in the absence of fraud, to vary the amount by showing that the statement was not correct. Sometimes an option is given to the consignee to pay for the bill of lading quantity or on the quantity actually delivered. If the consignee, to get his goods delivered to him, pays more than the net amount, he may recover back the surplus.

**Mode of Payment.** The freight is payable in the currency of the country of the place of payment, without deduction, unless the contract provides otherwise. Agreements for the payment of freight, like other mercantile contracts, are governed by usage. Where there is a charter party covenanting for payment of freight on a bill of lading, the true delivery of the goods at a foreign port is not discharged by the master's taking from the freighter's agent, who was furnished with funds to pay him the freight, a bill of exchange upon a third person, by whom it is accepted. If the bill is not duly honoured, although the agent has with the amount of the freight in his hands, the master had the offer of a cash payment, and preferred the bill for his own convenience. The consignee of goods, or an indorsee of a bill of lading, has no right to have the value of missing goods deducted from the freight payable in respect of the goods delivered, but the consignee may claim for the damages. It is, however, so expressly agreed that claims shall be deducted from the freight.

**Payable to Whom.** The freight is payable primarily, to the person with whom the contract was made, that is, generally, to the person who chartered the ship at the time of contracting; but if the ship may have been since sold, or assigned, or mortgaged, or its freight may have been sold or assigned, in doubt, the consignee of the goods can intervene, and so avoid the difficulty of deciding between claimants. Usually the master represents the owner, and payment of freight to him will be as effectual as against a claim by the owner. Notice made after notice from the owner not to pay to him. The master of a ship has no claim for accruing freight, either for his wages or for disbursements by him for the use of the ship. The charter charge upon the freight for those claims will not entitle him to possession of it, though he has a maritime lien for them which is enforceable against the ship and freight by legal process. Where the ship has been sold after the contract of carriage was made, the right to the freight passes to the purchaser. Where the ship is mortgaged only, the mortgagee does not thereby acquire the right to the freight, unless he also takes possession of the ship. A mortgagee of a ship is not entitled to the freight of previous voyages which became due to the date of his taking possession of the ship. The freight may be assigned separately from the ship, before it has been earned, or even before it is due, and the freighter cannot safely pay the freight to the shipowner after receiving notice of the assignment.

**Payable by Whom.** The person primarily liable for freight is the freighter or shipper. The shipper is liable, although he is, in fact, acting as agent for another, unless he made it clear that he shipped for his principal. If the shipper has notice that delivery is being made on behalf of someone else than the actual receiver, and mere receipt of the goods is not sufficient to discharge him, that the receiver promises to pay the freight personally. The shipowner may, however, lose his right of recourse to the shipper by giving credit

	Class	
Cigars	1	Perambulators
Cisterns (empty)	4	Perfumery
Clocks	1	Pianofortes
Clothing	1	Pickaxes
Coals	1	Pickles
Coke	per agreement	Pitch
Confectionery	S.	Plants (on deck)
Cottons	2	Ploughs
Currants	1	Potatoes
Cutlery	2	Prints
Deals and Flooring Boards	1	Pulleys
Dress Goods	S	Pumps
Drugs	1	Putty
Dyes	1	Quilts
Electro Plate	1	Quinine
Embroidery	1	Raisins
Engines (under 40 cwt)	1	Reaping Machines (under 40 cwt)
Epsom Salts	2	Resin
Figs	2	Ribbons
Filters	2	Rice, in bags, per 20 cwt
Fish (Preserved)	2	Rope
Flannel	2	Rugs, Carpet
Floor Cloth	1	Scal
Flour	2	Saddlery
Furs	2	Sago
Feeding Bottles	1	Salad Oil
Gas Fittings	2	Sardines
Ginger	2	Scales
Gloves	2	Screws
Glue	1	Seeds
Granite, rough (under 40 cwt)	2	Shirts
Grindstones	2	Silks
Gunpowder	2	Soap, common
Guns	S	" fancy
Haberdashery	1	Spades and Shovels
Hams	1	Sponges
Hats	2	Stationery
Hollow-ware (in crates)	1	Steel, bars and sheets loose or in bundles
Horseshoes	4	" packed
Hosiery	2	Stoves
Ink	1	String
Iron Gates	2	Sugar
" Hoops	2	Surgical Instruments
" Sheets	4	Tar
" (packed)	S	Tea
Jams	2	Tents
Jewellery	2	Timber, not exceeding 15 ft or 6 in in diameter
Lace	S	Tinware, in crates
Lard	1	Tools
Lime, common (in casks)	2	Toys
Linen	4	Treacle
Looking and Toilet Glasses	1	Tricycles
Machinery (under 40 cwt)	1	Tubes (wrought iron or steel)
Manure	2	" (cast iron)
Marble, rough	2	Umbrellas
Mats and Matting	2	Varnish
Medicine	2	Vegetables
Millinery	1	Velvet
Mirrors	1	Vices
Musical Instruments	1	Vinegar
Mustard	1	Watches
Nails, iron and steel	2	Waterproofs (not Oilskins)
Nutmegs	3	Wax
Nuts	2	Weighing Machines
Oatmeal	2	Wheat, in bags, per 20 cwt
Oil (not mineral)	2	Whiskey
Oil (Mineral), flash not below 200° Fah. open test	1	Whiting
Prints in Oil	1	Wines
Paperhangings	1	Wire, Iron and Steel
Peas	2	" Brass and Copper
Pepper	2	" Netting





forms, publishes statistics, and controls the working of the Acts. The Acts provide that certain societies may be registered with the registrar, the list including some societies which are not friendly societies. The Acts define friendly societies as societies providing by voluntary subscriptions for—

(a) the relief of members, their husbands, wives, and near relatives, and wards being orphans, during sickness or other infirmity, whether bodily or mental, in old age (*i.e.*, after fifty), or in widowhood, or for the relief of the orphan children of members during minority, or (b) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, or child (or as regards collecting societies, a parent, grandparent, grandchild, brother or sister) of a member, or in respect to members of the Jewish persuasion for the payment of a sum of money during the period of confined mourning; or (c) the relief of unemployed or shipwrecked members, or (d) the endowment of members or nominees of members at any age, or (e) the insurance of members' tools of trade against fire to any amount not exceeding £15, or (f) guaranteeing the performance of their duties by officers and servants of the society.

Provided that a friendly society which contracts with any person for an annuity exceeding £50 or a gross sum exceeding £200 shall not be registered. "Voluntary" contributions above referred to are merely contributions which are not made under legal compulsion, though they are made for a consideration, and are, therefore, in one sense, not voluntary.

It must be observed that, although the Act primarily contemplates registered societies, certain of its provisions (*e.g.*, as to persons in the Territorial Army) apply to unregistered societies, while, as above mentioned, some societies may be registered under it which are not friendly societies at all. The position of an unregistered society is not clearly ascertained, but is extremely unsatisfactory; and it is very desirable that every friendly society should obtain a definite status under these Acts or the Companies (Consolidation) Act, 1908.

To enable registration to take place, a society must send to the registrar an application signed by seven members and the secretary, and copies of the rules, together with a list of the names of the secretary and of any trustee or other officer intended to be authorised to sue and be sued on behalf of the society, which registration becomes *prima facie* evidence of the due appointment of such persons. The secretary need not be a member of the society, and if he is, the signature of seven other members will be necessary. The rules must provide for the various matters mentioned in detail in the schedule to the Act, and registration can be expedited if the model rules prepared by the registrar are adopted. No society is to be registered under a name infringing that of a society already registered. On being satisfied that a society has complied with the provisions of the Act as to registration, the registrar issues an acknowledgment of its registry, which is conclusive evidence of due registration, unless the registration is suspended or cancelled. From a refusal to register, appeal lies to the High Court. Amendments of rules must also be registered. Full information is required for this purpose, and the registrar may, subject to appeal, refuse to register a partial amendment and require a complete amendment if, in his opinion the condition of the

registered rules renders it expedient. Amendments are of no validity until registered and an acknowledgment of registration issued, which is conclusive evidence thereof. Whether an alteration binds a non-assenting member depends on whether the rules, when he joined, contained a power of alteration or not.

If a member has contracted with the society by a document which incorporates the rules, *e.g.*, by policy, such contract cannot, in any case, be affected by an alteration in the rules, unless in the contract it is expressly so provided. Restrictions imposed on the registration of certain classes of friendly societies, *e.g.*, dividing societies can only be registered if the rules contain provisions for meeting all claims existing at the time of division, and societies assuring annuities can only be registered if their tables of contributions are certified by an approved actuary. Societies with branches may be registered, and in such a case full particulars of the branches are to be furnished to the registrar on registration of the society, and full particulars of every new branch are to be furnished on its establishment.

If a branch secedes from a society in manner prescribed by the rules or is expelled, the chief secretary of the society is bound to give a certificate of secession or expulsion, and the branch may then be registered as a society.

A society may also be formed on a federal basis for a registered society or branch may contribute to the funds and take part in the government of another registered society or branch, without becoming a branch of that other society or branch. Withdrawal from a federation is governed by the rules, except when the contributions are to a medical society, when three months' notice must be given.

**Consequences of Registry.** Subscriptions to a friendly society or branch are voluntary, though the case of certain societies not really friendly societies, but registered under the Acts, they are deemed to be a debt recoverable in the court by the society or branch, the rules of such society being also deemed to be a contract under seal between the society and the members.

Every registered society and branch must have trustees distinct from the secretary and treasurer, and also auditors, and send to the registrar an annual return of its finances. A quinquennial valuation of assets and liabilities is also required.

Certain societies registered under the Acts are exempt from valuation, namely, benevolent societies, working men's clubs, cattle insurance societies, specially authorised societies, and societies specially exempted by the registrar with the approval of the Treasury. The last balance sheet, auditors' report, and quinquennial valuation must always be hung in a conspicuous place at the registered office of the society or branch. Registered societies and branches have various privileges, *e.g.*, they are exempt from the Acts forbidding secret meetings, provided that at their meetings no business is transacted other than that directly or immediately relating to the objects of the society or branch as declared in the rules. They are also exempted from certain stamp duties, and provision is made for the easy transfer to new trustees of stock belonging to the society transferable at the Bank of England or Ireland and standing in the name of a trustee who is bankrupt, lunatic, or deceased. Such societies or branches are given a paramount claim to assets belonging to them on the death or bankruptcy of any officer who

first meeting Amalgamation and transfer of engagements is, however, more difficult, for amalgamation requires a special resolution of both the amalgamating societies, and a transfer of engagements, a special resolution of the transferring society, and also (a) the assent of five-sixths in value of the members of each society given either at one of the meetings at which the special resolution was passed, and confirmed, or if the members were not present thereat, in writing, and (b) the written consent of every person receiving or entitled to any relief, annuity, or other benefit from the funds of the society, unless the claim of that person is first duly satisfied, or adequate provision made for satisfying it.

The registrar may, however, after hearing the trustees or committee, dispense with the above consents and conditions, and they do not apply to a juvenile society or branch.

Any member dissatisfied with the provisions in an amalgamation or transfer for satisfying his claim may apply to the local county court.

A society may convert itself into a limited company by special resolution, and if such special resolution contains the particulars necessary for the memorandum of association of a company, and a copy has been registered at the central office, a copy of the resolution under the stamp or seal of the central office has the same effect as a memorandum of association duly signed and attested. On such registration the society will be removed from the registry of the friendly societies, but no amalgamation, transfer of engagements, or conversion is to affect the rights of a creditor of a society connecting or transferring its engagements or becoming a party to an amalgamation.

A society may also become a branch of another society in manner provided by the Act. A copy of every special resolution for the above purposes must be registered at the central office, and will not take effect until such registration.

**Miscellaneous Matters.** The affairs of a society may be inspected by the registrar on the application of the prescribed number of members, supported by evidence of good reason for inspection. Security for costs must be given by the applicants, if required.

Cancellation of the registration of a society may take place at its request or on proof of fraud, mistake or illegality in registration, or wilful violations of the provisions of the Act, or if the society is defunct. The registrar may suspend registration in lieu of cancellation. Dissolution of a society or branch takes place—

(a) On the happening of any event declared by the rules to be a termination of the society or branch; or (b) as regards societies or branches other than friendly societies or branches, by the consent of three-quarters of the members, testified by their signatures to the instrument of dissolution, or (c) as regards friendly societies or branches by the consent of five-sixths in value of the members, testified by their signatures to the instrument of dissolution and the written consent of persons entitled to benefits from the society or branch (unless their claims are satisfied or duly provided for) and in the case of a branch with the consent of the central body or in accordance with the rules; (d) or by the award of the registrar for the reasons mentioned in the Act.

Various penalties are imposed by the Act for contravention of its provisions.

The trustees of a society or branch may represent it in all legal proceedings.

**Collecting Societies.** In addition to being governed by the general law of friendly societies, collecting societies are governed by certain special provisions contained in the Collecting Societies and Industrial Assurance Companies' Act, 1896. A collecting society is such a friendly society as receives contributions or premiums by means of collectors, at a greater distance than 10 miles from its registered office or principal place of business. Such a society must deliver to every person, on his becoming a member of or insuring with it, a copy of its rules, together with a printed policy signed by two of the committee and the secretary, at a price not exceeding 1d. for the rules and 1d. for the policy. No forfeiture is to be incurred by any member or person insured in a collecting society by reason of any default in paying any contribution until after (a) notice stating the amount due by him, and informing him that in case of default of payment by him within a reasonable time, not less than fourteen days, and at a place to be specified in the notice, his interest or benefit will be forfeited, has been served upon him by or on behalf of the society or company; and (b) default has been made by him in paying his contribution in accordance with that notice.

A member or a person insured with a collecting society shall not (except in the case of an amalgamation, transfer of engagements, or conversion into a company under the Friendly Societies' Act, 1896) become or be made a member or be insured with any other such society without his written consent, or in the case of an infant without the consent of his father or other guardian; and the society to which any person is sought to be transferred must, within seven days from his application for admission, give notice thereof in writing to the society from which he is sought to be transferred. The word "transfer" is used in a popular sense, and it must be borne in mind that the attempt to transfer without the proper consent and failure to give the required notices are offences under the Act. At least one general meeting of the society must be held in every year, and unless its day, hour, and place are fixed by the rules, notice must be given to the member in the prescribed manner; and for some days preceding the meeting every balance sheet of the society must be kept open for inspection at every office of the society and supplied to every member on demand. The annual returns of a collecting society must be audited by a practising accountant. The provisions as to settlement of disputes (*supra*) do not apply in their entirety to a collecting society, for any member or person insured having a dispute with such a society may, notwithstanding the rules, apply to the county court or to the court of summary jurisdiction for the place where he resides, and such court may settle the dispute.

The Act forbids a collector of a collecting society to (a) be a member of the committee, or (b) hold any other office in the society other than that of superintending collectors within a specified area, or (c) vote at or take part in the proceedings of any meetings of the society or company.

The registrar may grant a collecting society exemptions from the foregoing provisions, and thus remove from their operation societies not intended by Parliament to come within the scope of the Act.

**FUCHSINE.**—A red dye-stuff, which, like the



person, if the shooting rights have been reserved; and if there is a *bond fide* claim to the land, the justices ought not to decide the case.

Even the occupier, if he has not the right to shoot the game himself, commits an offence if he kills, or pursues, or takes game on the land, or gives permission to others, and he is liable to a penalty of £2 and £1 for every head of game. If five or more persons are together, each is liable to a fine of £5, and if any of them carries firearms and use threats to any person warning them off, each is liable to an additional penalty of £5.

(b) *Offences by Night*. All persons whatever are prohibited from using firearms in killing game and rabbits by night, and, in the case of the occupier under the Ground Game Act, he is liable to a penalty of £2. Night is between the expiration of the first hour after sunset, and the commencement of the last hour before sunrise.

When three or more persons enter land with firearms, or other weapons, this is an offence punishable with penal servitude up to a maximum of fourteen years, or to two years' imprisonment with hard labour.

Unlawfully taking or destroying game or rabbits by night on land or a public road, or unlawfully to enter on open or enclosed land with guns or instruments to take game, are each offences punishable summarily, on a first conviction, with three months' imprisonment with hard labour, or a second conviction with six months' hard labour, and sureties for two years, and if sureties are not found, to an additional twelve months' imprisonment. A third offence is an indictable misdemeanour, with a maximum term of penal servitude of seven years, or of imprisonment with or without hard labour for not more than two years.

By the Poaching Prevention Act, 1862 (25 and 26 Vict. c. 114), the police are enabled to search, in a public place, persons who are in possession of game or implements for taking game, whom they suspect of coming from land where they have been poaching, and on this is founded an offence for unlawfully obtaining game by trespass or using instruments, or otherwise. Eggs of game birds, of woodcock and snipe, come within this Act. This reinforces the private right of arresting offenders actually trespassing in pursuit of game, and of pursuing and arresting them within limits and handing them over to the police. But only stewards of the Crown forests and manors, and other Crown domains, lords of manors, and, in Wales, owners of lands worth £500 a year, are entitled to appoint gamekeepers to exercise on their behalf all the powers under the Game Act, and these gamekeepers must be appointed under hand and seal, and their appointments registered with the clerk of the peace. Their power of arrest is greater than that of any other member of the public or the police. These can only arrest if an indictable offence is actually being committed by night, or, in the case of the police, in the circumstances provided by the Poaching Prevention Act; whereas gamekeepers can make all the arrests, in any circumstances, authorised by the Game Act, within the area for which they are appointed.

*Licences to Kill Game.* Besides the ordinary game licence, an annual licence of £3 or £2, or of £1 for a continuous period of fourteen days, must be taken out by all persons, including gamekeepers, before taking, killing, or pursuing or aiding in taking, killing, or pursuing, game (as defined in the Game

Act), or any woodcock, snipe, quail, or landrail, or any coney or deer. These licences avail throughout the United Kingdom, except for gamekeepers and servants, whose licences are only for the land for which they are appointed. The holder of a £3 licence may sell game to a licensed dealer, which he would otherwise not be entitled to do, and he must not sell it to any other person. Also the occupier, and the persons he authorises to kill ground game under the Ground Game Act, 1880, need not obtain a licence to kill game, and they may sell the "ground game," as if they had a licence to kill game, to a licensed dealer.

*Licences to Deal in Game.* Before any person can deal in game, he must obtain two licences: firstly, a local licence granted by the district council in a county, or by a county borough council, secondly, an Excise licence of £2. The licensed dealer may only buy British game from another licensed dealer or from persons who hold the £3 licence; and he can only sell at a place within the district on which is exhibited a board with the words "Licensed to deal in game." Innkeepers, licensed victuallers, or holders of retail beer licences, and owners, drivers or guards of public conveyances, or higglers, carriers, or any person in their employment, cannot be licensed. The game for which there must be a licence to deal comprises hares, pheasants, partridges, heath and moor game, grouse, black game and bustards, and live and dead game alike are included, whether British or imported from foreign countries.

The "close times" fixed by the Game Act must be strictly observed, and within ten days of the commencement of the "close time" the possession or sale of game killed in the United Kingdom is an offence, unless they have been killed before the expiration of the open days. And though foreign dead game may be sold during "close time," foreign live game may not. All these regulations as to licence must be observed; and all those as to buying, sale, and possession are enforced under severe penalties.

**GAMING AND WAGERING.**—Strictly speaking, "gaming" means playing a game for stakes hazardous or provided by the players, while "wagering" is fairly well described by the well-known term betting, but, in common use, the words are used rather indiscriminately and applied to any state of affairs whereby a person stands to win or lose money by reason of the happening or not of some more or less uncertain event. The distinction between gaming and wagering is not now of much practical importance as between the immediate parties to the transaction, but it may be important as regards the interests of other persons in the money or thing that is at hazard.

Most games are in themselves lawful, but a few, such as lotteries and all games played with dice, except backgammon, are expressly forbidden by statute, but even lawful games become unlawful if played in what is known as a common gaming-house, *i.e.*, a house in which people habitually meet in considerable numbers for the purpose of gaming. To keep or frequent a common gaming-house, or to open, keep, or use a place for the purpose of making bets, and betting in streets or public places, are offences which may be punished by fine or imprisonment, as may also the sending of circulars to infants to invite them to make bets. These matters, however, hardly fall within the scope of this article, which is more concerned with the civil rights and

endorses the note for value to C, who has no notice of its tainted origin, and C transfers it in like manner to D, the last-mentioned can sue A, B, or C upon the note, and if he compels C to pay, then C can, in turn, sue either A or B.

The rules as to gaming and wagering contracts apply to all transactions the true nature of which is that they are gambles, even though they do not come within the ordinary designation of bets or wagers. A prominent example of this is found in regard to what are known as Time or Difference Bargains on the Stock Exchange (*q.v.*). These consist in contracts to deliver and to pay for stock or shares on a certain date, the buyer believing that the price will rise before then, and the seller believing that it will drop, but neither really intending actually to deliver or accept stock or shares, but only to strike the difference between the contract price and the actual price on the due date, and to pay and receive the difference only. This is a gaming contract, and neither party can recover on it. It must be noted that only when the parties to the contract are principals can there be a wager between them, a broker, while he properly acts as such and charges a commission for his services, does not enter into a wagering contract with his client. Another class of wagering contracts are policies of insurance in respect of a subject matter in which the insured person has no insurable interest. (See *INSURANCE*.)

Any scheme for distributing prizes, whether in money or in kind, by lot or chance, is a lottery, and all lotteries and everything connected with them are illegal in this country. It is essential that the distribution depends entirely upon chance, for if skill on the part of a competitor can in any appreciable measure control the result, the scheme will not be a lottery. Familiar forms of lotteries are the big money prize lotteries so prevalent on the Continent, and so much advertised through the Post Office, raffles at bazaars, sweepstakes, and many kinds of coupon competitions. Certain art unions, established for the promotion of the fine arts, are exempted from the operation of the penal Acts against lotteries, and it is not a lottery for people jointly entitled to money or to a particular property or article, to cast lots as to how it shall be divided among them. All persons taking part in a lottery, or printing or publishing any advertisement or ticket relating thereto, may be proceeded against for penalties.

**GAOL DELIVERY, COMMISSION OF.**—This is one of the several powers contained in the commission of assize, giving authority to the persons therein named to "deliver the gaol of — of the persons therein being."

**GARANCINE.**—A powder used as a dye-stuff, and obtained from the madder root by treating it with sulphuric or hydrochloric acid. It was formerly much employed in calico-printing, but its use has declined since the introduction of the aniline colours.

**GARBLING COIN.**—This is a term which refers to the practice of money dealers in picking out new full weighted coins from those which pass through their hands, for the purpose of exporting them or melting them down, and retaining the lighter ones for circulation and the payment of trade debts at home. The practice has almost died out. Garbling was formerly used to signify the process of sorting or picking out the worst of anything.

**GARNET.**—The comprehensive name for a variety of minerals which crystallise in the cubical system, usually in the form of dodecahedra. They

vary in colour according to their chemical composition, but are usually brownish-red, and then consist of silicate of iron and aluminium. This variety is frequently used in jewellery, and has a resinous lustre. Garnets are found principally in crystalline rocks. The best come from Pegu, in Burma, but Bohemia, Ceylon, and Brazil also do an export trade in the article.

**GARNISHEE.**—A person in whose hands property which belongs to another person is attached by an order of a court of justice. This order is in the nature of a warning, forbidding the person upon whom it is served to pay over the debt which he owes to his creditor. (See *GARNISHEE ORDERS*.)

**GARNISHEE ORDERS.**—These are notices which are sent to persons who are owing money to judgment debtors (*q.v.*), or who hold goods belonging to them, warning them not to part with such money or goods. The object of these orders is to prevent the debtor's applying such money or property in such a manner as to deprive the judgment creditor (*q.v.*) of the chance of reaping the fruit of his judgment when it is impossible to obtain satisfaction from the judgment debtor direct. Thus, A obtains a judgment against B. The judgment is not satisfied, but it comes to the knowledge of A that C, a third person, is indebted to B in a certain sum. A obtains a garnishee order against C, which prevents C from paying over the amount of his debt to B or to any other person.

A garnishee order is obtained upon an application to the court or to a judge, at first *ex parte* (*q.v.*), by any person who has obtained a judgment or order for the recovery or payment of money, either before or after any oral examination of the debtor liable upon the judgment or order. The application must be supported by an affidavit on the part of the applicant or of his solicitor, stating—

- (a) That judgment has been recovered or the order made,
- (b) That the judgment is still unsatisfied,
- (c) The amount of the judgment,
- (d) The name and address of the third person (called the garnishee) from whom money is due to the debtor,
- (e) That the garnishee is within the jurisdiction, i.e., within that part of the United Kingdom over which the court has power to compel obedience to its orders.

At first, an order  *nisi*  is obtained, if sufficient cause is shown, which means that the garnishee order is only temporary and provisional, but afterwards, when the party served has been heard, the order is made absolute, unless good cause is shown to the contrary.

After the order has been served upon the garnishee, he must, unless he is able to prove that there is no debt owing by him to the judgment debtor, pay the money into court, or execution will be levied against him for the amount. Payment made by or execution levied upon the garnishee under any proceedings of this kind is a valid discharge to him as against the debtor, liable under a judgment or order, to the amount paid or levied, even though the proceedings are subsequently set aside, or the judgment or the order reversed.

A garnishee order is not valid against the trustee in bankruptcy of the judgment debtor, unless completed by receipt of the debt before the date of the receiving order and notice of the order to the debtor, or

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unpaid, the undertakers should not require the incoming tenant to pay for the arrears unless he had agreed to do so

Further legislation was authorised, in 1870, by the Gas and Water Works Facilities Act. This Act gave powers to local authorities to manufacture and supply gas in any district in which there was not a gas company already existing. The Act was amended in 1873, and explained the word "undertakers" to mean a local authority, a corporation, commissioners, company, or persons, and gave power to the Board of Trade to consider the applications of such undertakers, and to make Provisional Orders for gas supply. These Acts of 1870-3 do not apply to the metropolis.

The Public Health Act, 1875, gives any town or urban authority powers to contract with any person for the supply of gas for public lighting or to supply gas themselves. The Local Government Act, 1894, gives power to every rural parish to provide their own lamps for public lighting.

As electricity is now used in so many places, the article entitled **ELECTRICITY** must be referred to, and, on the general subject of public and private lighting, must be read in conjunction with this one.

**GASAB.**—(See **FOREIGN WEIGHTS AND MEASURES**—**EGYPT**)

**GASOLENE.**—A sort of rectified petroleum used for motor-cars, gas-engines, etc.

**GAUGE.**—This word occurs both as a noun and as a verb. When the former, it signifies either a standard of measure or the measuring rod which is used for ascertaining the contents of casks. When the latter, it means the ascertaining of the contents of casks, *i.e.*, the number of gallons contained in them by means of a gauge or gauging rod.

**GAUGER.**—The officer of Customs or Inland Revenue, whose business it is to ascertain the contents of casks.

**GAUZE.**—A light, transparent fabric of any fine fibre, though originally made only of silk. It is much used for veils, dress purposes, and by millers for sifting flour. It was at one time produced in the west of Scotland, but France and Switzerland are now the chief sources of supply. Mantles for incandescent lamps are made of a specially manufactured variety of gauze.

**GAVELKIND.**—Unlike the system under which the real estate of a deceased person who dies intestate descends according to the law of primogeniture (*q.v.*), or according to the custom of borough English (*q.v.*), the old Saxon system of gavelkind has remained the law as regards the succession to real property in the county of Kent, and also in a few other parts of England, unless, in fact, the land has been disgavelled, *i.e.*, freed from the system. Under it, instead of real property descending in cases of intestacy exclusively to the eldest son or the next male heir of the deceased, it is divided equally amongst the sons, and the name is particularly appropriate, being derived from three Saxon words, signifying "give to all alike." If there is but one son, the whole of the estate goes to him to the exclusion of any daughters. If only daughters survive, and there are no descendants of a deceased son or sons, the real property goes to them jointly, as in the case of primogeniture.

**GAZETTE.**—The official periodical published by the authority of the Government. In England it is published every Tuesday and Friday.

The production of a copy of the *Gazette* is generally accepted as evidence of any notice or order

contained in it. Great care is taken as to the insertion of notices, and all those which do not come direct from Government offices must be duly authenticated. The signature of a solicitor is in most cases sufficient, but if this cannot be obtained, any advertisement or notice must be accompanied by a declaration.

In addition to the official notices of the Government, all the principal steps taken in bankruptcy and winding-up proceedings must be advertised, as well as notices of changes of partnerships, and those calling upon creditors and others to come in and prove their claims in the administration of estates.

**GAZETTED.**—A person or thing is said to be "gazetted" when an official announcement touching either the one or the other is contained in the *Gazette* (*q.v.*)

**GELATINE.**—A product obtained chiefly from parings of the hides and skins of calves, sheep, and oxen, the best variety for human consumption being prepared from calves' feet. Great care is bestowed on the process of extraction, in order to procure an absolutely pure article for use in confectionery, cooking, and medicine, in which it is much employed as a coating for nauseous pills. Other varieties are used in the preparation of photographic plates and for numerous other purposes. Gelatine is of the same origin as glue, but differs from it in the amount of care devoted to its preparation.

**GENERAL ACCEPTANCE.**—This is the name given to the acceptance of a bill of exchange (*q.v.*), often called also a "clean acceptance," which consists simply of a signature by the acceptor and the name of the place of payment.

**GENERAL AVERAGE.**—(See **AVERAGE**)

**GENERAL CROSSING.**—A cheque is said to be crossed generally when it bears across its face—

(1) The words "and Company" or some abbreviation of the same, between two parallel transverse lines, either with or without the words "not negotiable" (*q.v.*);

(2) Two parallel transverse lines simply, with or without the words "not negotiable" (See **CROSSED CHEQUE**.)

**GENERAL DISTRICT RATE.**—The general district rate is levied by urban district councils and municipal corporations outside the metropolis to cover expenses incurred under the Public Health Act, 1875, and amending Acts, it must not, therefore, be confused with the general rate of the metropolitan boroughs, which includes poor law expenses and all local rates except the water rate.

Section 207 of the Public Health Act, 1875, enacts that all expenses incurred or payable by an urban authority in the execution of the Act, and not otherwise provided for, shall be charged on and defrayed out of the general district fund and general district rate leviable by them under the Act, with the following exceptions, *viz.*: (1) Where the expenses incurred by an urban authority under the Sanitary Acts were at the time of the passing of the Act payable out of the borough fund or borough rate; (2) where expenses incurred by an urban authority acting as improvement commissioners (that is, possessing powers of town government and acting under local Acts) were payable out of a rate in the nature of a general district rate; and (3) where rates for certain purposes under the Sanitary Acts were payable out of the borough fund and rate.





Before making comparisons between the general district rates of different localities, it is important to ascertain exactly what services are chargeable upon them, for it does not always follow that these rates are strictly comparable, although they bear the same title. The rate in one district, for example, may include charges for libraries and baths and wash-houses, in another charges for baths and wash-houses, but not for libraries, whilst in other towns such services may not exist, or, if so, are maintained by special rates. An apparent difference of several pence in the pound might thus be shown, which, after the rates had been reduced to a common basis, would quite disappear.

**GENTIAN.**—A genus of plants of which there are numerous species, the *Gentiana lutea* of South Europe being the best known. From the dried root of this plant a bitter tonic is obtained, which has great medicinal value.

**GEOGRAPHICAL DISTRIBUTION.**—The earth is approximately a sphere, but since the diameter between the poles is less than the diameter at the equator, it is more correctly described as an oblate spheroid. This term, however, is not quite suitable, for there are differences between the shape of the earth and that of an ideal oblate spheroid, and so the term "geoid" has been applied. The most exact measurements give the lengths of the diameters as 41,852,404 ft at the equator and 41,709,790 ft between the poles. These numbers may, however, be 250 ft too great or too small.

The solid portion of the earth, or the crust, is known as the lithosphere. This term is sometimes used to include also the interior, although the exact nature of the interior is a matter of speculation. The water which covers the greater part of the lithosphere forms the hydrosphere, while the envelope of air completely enclosing these is the atmosphere. Both animal and vegetable life are limited in distribution upward in the atmosphere and downward in the hydrosphere, and the space between these limits is called the biosphere.

The greatest height attained by the land is 29,000 ft above the sea. The greatest known depth is 6 miles, off the Ladrone Islands, in the Pacific.

**Distribution of Land and Water.** The total area of the surface of the earth is about 196,940,000 square miles. Of this, about 142,000,000 is occupied by the sea and 55,000,000 by dry land.

The land is massed chiefly in two great sections, which from historical reasons are known as the Old and New Worlds. These two approach each other most closely at the Behring Strait, where Asia and North America almost join, but from here they diverge from each other so rapidly, that just north of the Equator they are separated by half the circumference of the globe, the intervening distance being occupied by the Pacific Ocean. On the whole, the Old and New Worlds lie closest along their Atlantic shores. The land mass of the Old World lies almost wholly to the north of the Equator, only the smaller part of Africa being south of it. This fact, combined with the vast area of the Pacific, makes it possible to divide the world into two hemispheres: a water hemisphere, containing but a small part of the land surface, and a land hemisphere which includes the bulk of the land, and also the S-shaped Atlantic Ocean and the Indian Ocean.

The particular arrangements of land and water,

which of themselves have had the greatest influence on the history of man within historic times, are the width of the Pacific, and the great extension southward of both South America and Africa, coupled with the fact, of course, that in both the Old and New Worlds the land penetrates far within the Arctic Circle.

The width of the Pacific has prevented intercourse between Eastern Asia and the Americas till recent years, and even now is a serious hindrance on account of the time and cost of crossing.

Intercourse between Western Europe and India by sea was not established until after the discovery of America, because of the southern extension of Africa, while the southern extension of America to Magellan Strait led to repeated futile efforts to find a north-west passage to China and the East Indies, in order to shorten the journey.

In both America and the Old World a landlocked sea makes a passage nearly through to the opposite ocean, the Mediterranean, being separated from the Red Sea, an arm of the Indian Ocean, by the Isthmus of Suez, and the Caribbean Sea separated from the Pacific by the Isthmus of Panama. In both cases the cutting of an isthmus canal facilitates communication between east and west.

To a lesser extent the intrusion of the peninsula of Indo China, with its long extension in the Malay Peninsula, into the ocean almost to the Equator, kept the peoples of India and China apart.

**The Distribution of Land Forms.** Land forms may first be divided broadly into upland and lowland. No fine line of distribution can be drawn, but there exist great, well-defined areas of highland more than a mile above the sea, and even greater areas of lowland at less than a thousand feet.

**HIGHLANDS.** In North America, from Alaska southward to Popocatepetl in Mexico, there stretches along the western part of the continent a great highland region bordered on the east by the Rockies, and on the west by various coast ranges, which lies for the greater part more than a mile above the sea, and includes several extensive areas more than 3 miles above sea level.

In South America the Andean system, starting on the Caribbean coast, runs southward to the extremity of the continent. Generally it consists of parallel ranges, between which lies a high plateau, which from 8° N. latitude to 40° S. latitude is in no place less than a mile high, while between 10° and 30° S. latitude it is only at occasional passes that the height is less than 3 miles.

In Asia we have the most extensive of the great highlands. North of the Himalayas, and stretching from the Pamirs in the west, through Tibet, to the border of China in the east, a distance of 2,000 miles, the whole surface is from 3 to nearly 6 miles above the sea, over a breadth in places of 800 miles.

**LOWLANDS.** The largest of the great lowland areas is that of Eurasia, extending from Brittany in the south-west of Europe to Behring Strait in the north-east of Asia, with its greatest breadth just within the borders of Asia.

In South America the greater part of the basin of the enormous river Amazon, with those of the Orinoco and the Plate, form a continuous lowland in juxtaposition to the wall of the Andes, and covering more than half the continent.

In North America the great lowland stretches from the Arctic Ocean to the Gulf of Mexico, and right across the continent from the foot hills of the

temperatures of the equatorial regions and the lower ones toward the poles, and (2) between the continent and the oceans

The movements due to (1) are sometimes called the planetary circulation. If there were no large continents to disturb the arrangement, the following belts of winds and calms would be set up—

- (1) North Polar system
- (2) Westerly and south-westerly system
- (3) Calms of Cancer
- (4) North-east trades
- (5) Doldrums or Equatorial calms
- (6) South-east trades
- (7) Calms of Capricorn
- (8) Westerly and north-westerly system.
- (9) South Polar system.

These systems are set up in the following manner. The heating and consequent rarifying of the air in the neighbourhood of the equator gives rise to a flow of air on either side, forcing the heated air upwards. The belt where the air is rising has practically no wind, and is known as the Doldrums, or the belt of Equatorial calms. The flow of air from the north and south constitutes the trade winds, but, on account of the rotation of the earth, these actually blow from the north-east and south-east. The air that rises in the Equatorial belt of calms moves northward and southward towards the poles and above the trades, so that when it carries clouds with it they can be seen moving at a high altitude in an almost opposite direction to the trade winds on the surface of the earth. In the neighbourhood of the tropics the high currents begin to descend, and since when air is descending, as when it is ascending, little wind is felt, two belts of calms—the Calms of Cancer and the Calms of Capricorn—are set up. The regions where these are experienced are known as the horse latitudes. On approaching the earth, part of the descending air flows into the trades again and part continues towards the poles near the surface, giving rise, on account of the deflection due to rotation, to the south-westerly and westerly winds of the northern hemisphere and the north-westerly and westerlies of the southern.

All the continents exercise a modifying influence on the planetary circulation, more especially in the Old World, where the monsoon system of Asia completely effaces it. Monsoon systems associated with the other continents hold sway only at certain seasons.

The planetary winds that are best developed are those of the southern hemisphere, where the westerlies, known as the "brave west winds," blow almost entirely across the ocean.

As the position of the Doldrums depends upon the position of the heat equator, they move north and south with it, and so too, do the other systems. Thus north and south swing is most noticeable in its effects on rainfall.

The monsoons of Asia, which exercise such a profound influence over India, China, and the neighbouring lands, are due, broadly, to the fact that in summer the land is much hotter than the sea, so that there is a flow of air from the sea to the land; while in winter the land is much colder than the sea and, consequently, the flow of air is towards the sea.

In India this alternation expresses itself in the wet south-west monsoon of summer and the cool north-east monsoon of winter. In other countries the directions are different, but the movement

from sea to land in summer and land to sea in winter is the same.

**The Distribution of Rainfall and Climate.** The precipitation of the moisture in the air as rain depends upon the lowering of the temperature of the air to a point when it can no longer contain the whole of its moisture. To some extent, this cooling occurs when a warm wind blows over a cooler stretch of country, but by far the most common cause is the rising of air, either because of mountains that lie in the paths of winds, or because of the upward spiral movements known as cyclones, or from such conditions as exist near the equator (See EQUATORIAL CALMS). The upward movement leads to a reduction of pressure, and a consequent gradual expansion and cooling until the moisture is precipitated. On the other hand, as ascending air cools and tends to give up its moisture, so, *per contra*, descending air rises in temperature, and can take up more moisture; in other words, such air is rainless. So, too, for similar reasons are winds blowing to a warmer region.

As a result of the planetary circulation of the air, there are three principal rain belts: The equatorial belt of very heavy rainfall, and the prevailing westerly systems of the north and south hemispheres. Between these are the trade winds, which are not generally rainy, except when they strike against a mountainous coast after traversing a large expanse of ocean. In the westerlies, rain falls on account of the upward currents caused by cyclonic movements. All these systems move north and south with the sun, so that some regions have rain only at certain times of the year. In the tropics a region is in the rainy equatorial belt at one part of the year and in the dry trade wind belt at another. Thus accounts for the wet and dry seasons, and since the sun is overhead twice during the year at each part of the tropics, there are generally two well-marked rainy seasons. In parts the rain belt does not move far north and south, so that here there is heavy rain throughout the year.

Further from the equator the two rainy periods merge into one so that there is a wet season, which occurs in the summer, and a dry season. The length of the wet season diminishes with the distance from the equator until at such places as Khartoum, in Africa, it lasts for only a few weeks. Beyond this is the desert, where rain falls only at long and irregular intervals. Here the dry belt moves north and south, but not far enough for some parts ever to be in either equatorial rainbelt on the one side, or the temperature rainbelt on the other. In all the continents, either or or near the tropics, are arid or semi-arid regions. In North Africa is the Sahara, and from there an arid region stretches through Arabia and right across Asia almost to the Pacific, with but few breaks. In North America the deserts of Arizona and Mexico are outside the tropics, but in all the three southern continents the western portions on the tropic of Capricorn are desert. The Atacama desert in Chile, the Kalahari and other dry areas in South Africa, and the great desert of Australia. In each case, the eastern side of the continent is backed by mountains, which condense the moisture of the trade winds and so have a rainfall sufficient for agriculture.

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With the opening up of the great plains of North America and Siberia in the north and Argentina, Australia, and New Zealand in the south, together with South Africa, the distribution of domestic animals has been greatly extended. In these countries, unlike Britain and the greater part of the continent of Europe, where animals are kept on farms, sheep and cattle, and, to a lesser extent, horses and swine, are raised in enormous numbers in sparsely peopled lands.

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**Distribution of Population.** Europe, with Britain, India, and China, contain together three-fourths of the population of the world. India and China are agricultural countries, able to support enormous populations, on account of their well-watered plains and abundant sunshine. In Europe the most densely peopled areas are where the presence of coal and other minerals gives rise to great industries. To supply food to those so engaged, intensive farming is carried on in the neighbourhood, thus augmenting the density of population in these areas. In Britain, we have London with 7,000,000 inhabitants, the largest city in the world, surrounded, however, by thinly-peopled regions, while, in a circle of 25 miles' radius with Manchester as the centre, there are 8,500,000 inhabitants, probably the densest population to be found anywhere in the world. In Asia, the delta of the Ganges-Brahmaputra and the low plains around the mouth of the Yangtze are the most thickly peopled. Outside India and China, and the islands of Hondo (Japan) and Java, Asia has a very small population indeed, great stretches, as in the Gobi desert and the frozen shores of the Arctic, being practically uninhabited. The trans-Siberian Railway is attracting people to a long, narrow belt right across the continent.

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Before making comparisons between the general district rates of different localities, it is important to ascertain exactly what services are chargeable upon them, for it does not always follow that these rates are strictly comparable, although they bear the same title. The rate in one district, for example, may include charges for libraries and baths and wash-houses, in another charges for baths and wash-houses, but not for libraries, whilst in other towns such services may not exist, or, if so, are maintained by special rates. An apparent difference of several pence in the pound might thus be shown, which, after the rates had been reduced to a common basis, would quite disappear.

**GENTIAN.**—A genus of plants of which there are numerous species, the *Gentiana lutea* of South Europe being the best known. From the dried root of this plant a bitter tonic is obtained, which has great medicinal value.

**GEOGRAPHICAL DISTRIBUTION.**—The earth is approximately a sphere, but since the diameter between the poles is less than the diameter at the equator, it is more correctly described as an oblate spheroid. This term, however, is not quite suitable, for there are differences between the shape of the earth and that of an ideal oblate spheroid, and so the term "geoid" has been applied. The most exact measurements give the lengths of the diameters as 41,852,404 ft at the equator and 41,709,790 ft between the poles. These numbers may, however, be 250 ft too great or too small.

The solid portion of the earth, or the crust, is known as the lithosphere. This term is sometimes used to include also the interior, although the exact nature of the interior is a matter of speculation. The water which covers the greater part of the lithosphere forms the hydrosphere, while the envelope or air completely enclosing these is the atmosphere. Both animal and vegetable life are limited in distribution upward in the atmosphere and downward in the hydrosphere, and the space between these limits is called the biosphere.

The greatest height attained by the land is 29,000 ft above the sea. The greatest known depth is 6 miles, off the Ladrone Islands, in the Pacific.

**Distribution of Land and Water.** The total area of the surface of the earth is about 196,940,000 square miles. Of this, about 142,000,000 is occupied by the sea and 55,000,000 by dry land.

The land is massed chiefly in two great sections, which from historical reasons are known as the Old and New Worlds. These two approach each other most closely at the Behring Strait, where Asia and North America almost join, but from here they diverge from each other so rapidly, that just north of the Equator they are separated by half the circumference of the globe, the intervening distance being occupied by the Pacific Ocean. On the whole, the Old and New Worlds lie closest along their Atlantic shores. The land mass of the Old World lies almost wholly to the north of the Equator, only the smaller part of Africa being south of it. This fact, combined with the vast area of the Pacific, makes it possible to divide the world into two hemispheres—a water hemisphere, containing but a small part of the land surface, and a land hemisphere which includes the bulk of the land, and also the S-shaped Atlantic Ocean and the Indian Ocean.

The particular arrangements of land and water,

which of themselves have had the greatest influence on the history of man within historic times, are the width of the Pacific, and the great extension southward of both South America and Africa, coupled with the fact, of course, that in both the Old and New Worlds the land penetrates far within the Arctic Circle.

The width of the Pacific has prevented intercourse between Eastern Asia and the Americas till recent years, and even now is a serious hindrance on account of the time and cost of crossing.

Intercourse between Western Europe and India by sea was not established until after the discovery of America, because of the southern extension of Africa, while the southern extension of America to Magellan Strait led to repeated futile efforts to find a north-west passage to China and the East Indies, in order to shorten the journey.

In both America and the Old World a land-locked sea makes a passage nearly through to the opposite ocean, the Mediterranean, being separated from the Red Sea, an arm of the Indian Ocean, by the Isthmus of Suez, and the Caribbean Sea separated from the Pacific by the Isthmus of Panama. In both cases the cutting of an isthmus canal facilitates communication between east and west.

To a lesser extent the intrusion of the peninsula of Indo China, with its long extension in the Malay Peninsula, into the ocean almost to the Equator, kept the peoples of India and China apart.

**The Distribution of Land Forms.** Land forms may first be divided broadly into upland and lowland. No fine line of distribution can be drawn, but there exist great, well-defined areas of highland more than a mile above the sea, and even greater areas of lowland at less than a thousand feet.

**HIGHLANDS.** In North America, from Alaska southward to Popocatepetl in Mexico, there stretches along the western part of the continent a great highland region bordered on the east by the Rockies, and on the west by various coast ranges, which lies for the greater part more than a mile above the sea, and includes several extensive areas more than 3 miles above sea level.

In South America the Andean system, starting on the Caribbean coast, runs southward to the extremity of the continent. Generally it consists of parallel ranges, between which lies a high plateau, which from 8° N. latitude to 40° S. latitude is in no place less than a mile high, while between 10° and 30° S. latitude it is only at occasional passes that the height is less than 3 miles.

In Asia we have the most extensive of the great highlands. North of the Himalayas, and stretching from the Pamirs in the west, through Tibet, to the border of China in the east, a distance of 2,000 miles, the whole surface is from 3 to nearly 6 miles above the sea, over a breadth in places of 800 miles.

**LOWLANDS.** The largest of the great lowland areas is that of Eurasia, extending from Brittany in the south-west of Europe to Behring Strait in the north-east of Asia, with its greatest breadth just within the borders of Asia.

In South America the greater part of the basin of the enormous river Amazon, with those of the Orinoco and the Plate, form a continuous lowland in juxtaposition to the wall of the Andes, and covering more than half the continent.

In North America the great lowland stretches from the Arctic Ocean to the Gulf of Mexico, and right across the continent from the foot hills of the

temperatures of the equatorial regions and the lower ones toward the poles, and (2) between the continent and the oceans

The movements due to (1) are sometimes called the planetary circulation. If there were no large continents to disturb the arrangement, the following belts of winds and calms would be set up—

- (1) North Polar system
- (2) Westerly and south-westerly system
- (3) Calms of Cancer
- (4) North-east trades
- (5) Doldrums or Equatorial calms
- (6) South-east trades
- (7) Calms of Capricorn
- (8) Westerly and north-westerly system
- (9) South Polar system

These systems are set up in the following manner. The heating and consequent rarifying of the air in the neighbourhood of the equator gives rise to a flow of air on either side, forcing the heated air upwards. The belt where the air is rising has practically no wind, and is known as the Doldrums, or the belt of Equatorial calms. The flow of air from the north and south constitutes the trade winds, but, on account of the rotation of the earth, these actually blow from the north-east and south-east. The air that rises in the Equatorial belt of calms moves northward and southward towards the poles and above the trades, so that when it carries clouds with it they can be seen moving at a high altitude in an almost opposite direction to the trade winds on the surface of the earth. In the neighbourhood of the tropics the high currents begin to descend, and since when air is descending, as when it is ascending, little wind is felt, two belts of calms—the Calms of Cancer and the Calms of Capricorn—are set up. The regions where these are experienced are known as the horse latitudes. On approaching the earth, part of the descending air flows into the trades again and part continues towards the poles near the surface, giving rise on account of the deflection due to rotation, to the south-westerly and westerly winds of the northern hemisphere and the north-westerly and westerlies of the southern.

All the continents exercise a modifying influence on the planetary circulation, more especially in the Old World, where the monsoon system of Asia completely effaces it. Monsoon systems associated with the other continents hold sway only at certain seasons.

The planetary winds that are best developed are those of the southern hemisphere, where the westerlies, known as the "brave west winds," blow almost entirely across the ocean.

As the position of the Doldrums depends upon the position of the heat equator, they move north and south with it, and so, too, do the other systems. The north and south swing is most noticeable in its effects on rainfall.

The monsoon of Asia, which exercises such a powerful influence over India, China, and the neighbourhood of the Bay of Bengal, is due to the fact that in summer the land is much hotter than the sea, so that there is a flow of air from the sea to the land; while in winter the land is much colder than the sea, and, consequently, the flow of air is towards the sea.

So it is in the Atlantic, where the wind is from the west in summer and from the east in winter. In other countries the influence of the monsoon is less marked.

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Racially, the Caucasian or white race is the most numerous, forming about half the total; then come the Mongols or yellow races, forming about one-third of the total, while about one-eighth are Ethiopians or blacks. The bulk of the remainder are American Indian, and kindred races

**GERANIUM OIL.**—An oil distilled from the leaves and flowers of the *Pelargonium radula* It is imported from Algiers The name, however, is frequently applied to several kinds of essential oil of rose-like fragrance, which are used as substitutes for oil of roses

**GERMAN SILVER.**—A hard, silvery white alloy of copper, nickel, and zinc in proportions varying according to the purpose for which it is required It can be spun as well as Britannia metal, and it is largely used as the base of electro-plated goods, in which case the alloy consists of 50 parts of copper, 30 of zinc, and 20 of nickel Many spoons, forks, and other articles are made of German silver alone, but these soon lose their bright appearance Silveroid, argentoid, navoline, and nickeline are newer substances, closely resembling German silver, but containing an admixture of tin, cadmium, or other metal German silver is frequently known as nickel silver

**GERMANY.**—Position, Area, and Population. Strictly speaking, the term "Germany" means the land occupied by the Germans, and extends across the middle of Europe from the North Sea and the Baltic on the north to the Adriatic on the south It is, however, usually applied colloquially to the German Empire, and is taken in that sense here Germany stretches from the latitude of northern England to that of central France, or from 55° N to 47° N, and from 6° E to 23° E It has an area estimated at from 208 780 to 210,218 square miles, and a population of 65,000,000, an increase of 24,000,000 since 1872 It is the third state in



however, rising in the Swiss glaciers, always maintains a considerable volume

A peculiar feature of all the large rivers whose mouths lie in Germany is their general north-eastward direction and the sharp right-angled bends in their lower courses. Reference to the map will also show that many of the north-eastward stretches in one river seem to be continued by a tributary entering the next river from the east. This arrangement greatly facilitates the joining of adjacent rivers by canals, so that it is possible for goods to be sent by water almost the whole way from east to west of the country. By the settled policy of extending this east and west canal system, and improving the river navigation southward, sometimes, indeed, also augmenting it by canals, the whole empire is being covered with a network of fine waterways, which provide the means for cheap transit in every direction, especially for heavy raw materials, such as ore and coal, which will not bear the cost of carriage by rail. The westernmost angle of the Vistula is quite close to the Netze, a tributary of the Oder, and is joined to it by the Bromberger Canal. Similarly, the Oder is joined to the Spree and the Havel by the Frederick William and Finow Canals. Quicker communication is proposed by a canal from the Oder direct to Berlin. Besides the ship canal mentioned above, from the Elbe westward to Emden, another ship canal is being made—chiefly by the enlarging of the present waterway—southward from Emden to Dortmund and then westward to the Rhine, thus giving, in effect, the Rhine a mouth in Germany. Another projected ship canal will give communication between the Baltic and the Danube, and so with the Black Sea. This is to follow the course of the Oder to the borders of Austria. From here a canal will join the March, one of the tributaries of the Danube. For thus the watershed will be tunnelled, the size of the tunnel being sufficient to allow the passage of ships of 600 tons.

In Bavaria, the Ludwig Canal connects the navigation of the Rhine and Danube. It runs from the Main, up the Regnitz valley, past Nuremberg, and thence through hilly country, to the Altmühl, a tributary of the Danube.

The Kaiser Wilhelm Canal, from Brunsbüttel, the mouth of the Elbe to near Kiel on the Baltic, has been enlarged so as to allow the largest vessels to pass through it. Commercially, it shortens the voyage between the North Sea and the Baltic by hundreds of miles. Strategically, it is of the highest importance, as it allows the Navy to move quickly to any point on either coast, and at the same time provides an easily defended retreat. Its dimensions are, length, 61 miles, depth, 29½ ft., width at surface, 210 ft.; width at bottom, 72 ft.

The total length of navigable waterways in Germany is 8,464 miles. Of this, 4,922 miles are less than 6 ft 7 in deep, and 520 miles more than 16 ft 5 in deep.

**Lakes.** The principal lake area in Germany is in the eastern part of the northern plain. The lakes fall into two sections, differing in character and origin. Those along the low shores of the Baltic, in Pomerania, are regular in outline and shallow. They have been formed by the sediment brought down by the rivers forming sand-spits which have cut them off from the sea. Those further inland lie on a low plateau, they are very irregular in

shape and very deep, and are drained by short swift rivers frequently broken by rapids.

**Railways.** The total length of railway of ordinary gauge is 36,200 miles, of which only 3,440 miles are owned privately, while 21,121 miles belong to Prussia. The principal railway centre is Berlin. The chief lines of international importance are southward along Rhine valley through Switzerland (St Gotthard tunnel) to Italy, eastward where the Orient Express from Paris passes through Strassburg, Stuttgart, and Munich to Constantinople, via Vienna, north-eastward in which direction the line from Paris to St Petersburg and other parts of the Russian Empire passes through Cologne and Berlin.

**The German States.** The distribution of the component States of the German Empire is very complex. Some of the smaller States are but patches in the middle of larger ones, others, again, are composed of a disconnected group of such patches, in one case two constituent parts of a State being 180 miles apart. The positions of the larger States, however, are simple.

The Kingdom of Prussia, the largest and predominant State, occupies the northern half of the country from the borders of Holland, Belgium, and Luxemburg on the west, to Russia on the east, and Austria on the south-east, and has an area of 136,116 square miles. Its capital is Berlin, and the King of Prussia is the German Emperor.

The Kingdom of Bavaria, the Kingdom of Württemberg, and the Grand Duchy of Baden lie in the south, on the borders of Switzerland, between the Rhine and Bohemia. North of Baden is the Grand Duchy of Hesse, west of Baden, across the Rhine, lies the Imperial territory of Alsace-Lorraine and a detached portion of Bavaria.

The Kingdom of Saxony occupies the northern slopes of the Riesen Gebirge. It is the most densely populated of the German States, except the free towns.

Mecklenburg lies to the east of the Elbe, and has a stretch of coast line on the Baltic east of Lubeck. It is divided into the two Grand Duchies of Mecklenburg-Schwerin and Mecklenburg-Strelitz.

The Grand Duchy of Oldenburg lies to the west of the Wevers with a stretch of the North Sea coast line. It has detached portions on the Baltic, north of Lubeck, and in the south of Prussia beyond Mosel.

Lying between Prussia and Bavaria are the Thuringian States: Reuss, Younger Branch (principality), Saxe-Coburg-Gotha (duchy), Saxe-Altenburg (duchy), Schwarzburg-Rudolstadt (principality), Reuss, Elder Branch (principality), Schwarzburg-Sondershausen (principality), Saxe-Meiningen (duchy), and Saxe-Weimar (grand duchy). In central Prussia are Lippe (principality), Waldeck (principality), Brunswick (duchy), Schaumburg-Lippe (principality), and Anhalt (duchy).

The free towns of Hamburg, Lubeck, and Bremen are also separate States.

The following table gives the area in square miles of each State, with the total population at the last general Census (1905); the numbers engaged in the leading industries of the Empire—agriculture and manufacture. (See next page.)

**Languages in Germany.** The bulk of the people speak one of the two principal forms of German: Low German in the north and High German in the south. The principal non-German language is Polish, chiefly in the south-east. In the valley of



Other iron ore producing regions are Breslau and Clausthal. Despite the large amount of ore raised within her borders, Germany imports large quantities from Sweden and Spain, and from the part of France bordering Lorraine.

The principal steel-producing region is Westphalia, more than half being made by the Bessemer process. An important feature of the German steel trade is the large export of partly manufactured steel and steel goods.

**The Cotton Industry.** The cotton industry of Germany is less localised and, consequently, less specialised than that of Britain. The provinces with the largest number of spindles are Prussia, Saxony, Alsace, Bavaria, and Wurttemberg, the acquisition of new territory in 180 having considerably augmented the total output.

Although at one time dependent upon the Liverpool market for supplies of raw cotton, Germany now buys direct, the cotton market being at Bremen. More than one-third of the total export of cottons are sent to Britain, which sends in return cotton manufactures to an even greater value. Other countries taking a considerable portion of the exports are the United States, Austria, and the Netherlands.

**The Chemical Industry.** The manufacture of chemicals, including dyes and manures, has advanced to a phenomenal extent in recent years in Germany. In part this is due to the commercial aspect of the teaching of science in some of the universities, but also to the unique mineral resources of the country. At Stassfurt, and other parts of the northern plain, there are deposits of common salt and also chemical salts found in no other part of the world in such easily available form. Aniline dyes and other chemicals made from the by-products of coke and gas-making are also important.

**Commerce.** The change of the condition of Germany from an almost purely agricultural state to one predominantly industrial has led to the trade with other countries closely resembling those of Britain, *i.e.*, the imports are largely food and raw material, and the exports chiefly manufactured goods.

With negligible exceptions, the States of Germany with Luxemburg are formed into a Customs Union (or Zollverein). The countries forming the Union are known collectively as the *Deutsches Wirtschaftsgebiet*. Between the States in the Zollverein free trade exists, but external trade is largely regulated by means of import duties and transport rates. This policy was inaugurated in 1879.

The average annual value of the imports is £425,316,000, and of the exports £334,250,000. The principal imports are: Raw cotton, hides and skins, wheat, wool, barley, copper, coal, raw coffee, eggs, iron ore, raw silk, bran, nitrate, linseed, lard, woollen yarn, lignite, horses, maize, rye, and butter.

The principal exports are: Silk goods, iron and iron goods, machinery, cottons, coal, woollens, leather and leather goods, sugar, copper and copper goods, hides and skins, aniline dyes, clothing, coke, stockings, wheat flour, gloves, raw cotton, books, telegraph cable, rye, and beer.

This trade is carried on with every part of the world, the three chief countries, in order of importance, being, the United States, which leads with imports (chiefly raw cotton), the United Kingdom, which takes the largest amount of the exports, and Russia.

The average annual value of the goods sent to the United Kingdom is £38,240,000, and the value of the goods sent from the United Kingdom is £36,106,000.

The principal articles brought into the United Kingdom from Germany are: Sugar (31 per cent.), cotton goods and yarn, woollen goods and yarn, wood and woodware, glass and manufactures, eggs, machinery, iron and steel (including manufactures).

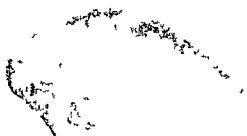
The principal articles sent from the United Kingdom to Germany are: Cotton goods and yarn, coal and coke, woollen goods and yarn, machinery, herrings, ironwork, alpaca, and similar cloths and yarns, wool.

**Principal Districts and Trade Centres.** **THE NORTH GERMAN PLAIN.** The North German Plain may be divided, for purposes of description, into three very unequal areas, whose boundaries are formed by the Weser and the Elbe. The two western divisions form the Prussian province of Hanover and the Grand Duchy of Oldenburg. West of the Weser the surface becomes more and more like Holland in character; the shores of the Ems estuary and the Dollart are dyked, and windmills become a prominent feature, while the barren Bourtanger Moor lies on both sides of the frontier. The most fertile lands are those which have been reclaimed from the tide, the sandy soil further inland, known as *geest*, being little suited for agriculture. Inland, the land becomes more hill, but never rises to any great height. Between the Weser and the Elbe is the next division of the northern plain, flat in the north, but with low hills further south in Lunenburg Heath. Here the lack of fertile soil has prevented agriculture from spreading, and the winds from the North Sea have prevented the growth of natural forest, thus adding to the barrenness of the district. Now, however, considerable plantations of trees are being successfully planted to the south-east of Hanover and lying on both sides of the Elbe is the Prussian province of Saxony.

The principal inland towns within the borders of Hanover are: Oldenburg, the capital of the Grand Duchy, built on the left bank of the Hunte, where it turns suddenly eastward to join the Weser; Hanover, the capital of the province on the Leine, another tributary of the Weser; Magdeburg, on the Elbe, the capital of the province of Saxony; and Osnabruck in the south. Osnabruck, on the Hase, to the north of the Teutoburger Wald, is rising in importance on account of the discovery of coal in the neighbourhood.

East of the Elbe are the Mecklenburgs and the Prussian provinces of Pomerania, West Prussia, and East Prussia along the Baltic, and, inland, Brandenburg, in which lies Berlin and Posen. From Pomerania eastward into Russia, and divided into two by the Vistula, is a low, rolling upland region with many lakes, whose rivers cut deep valleys in the soft soil. The soil, though generally sandy, has considerable tracts of fertile soil of a light, clayey nature, known as *loess*. Forests cover more than a quarter of the eastern section. In the extreme west and on the chalky island of Rugen there are numerous beeches. Oaks, too, are also plentiful in places, but eastward and southward pines become increasingly numerous, until they are the only kind found.

Potatoes and oats are the principal grains grown; potatoes, particularly in Pomerania, are extensively grown for the manufacture of spirit. West



navigation all the way to Bremen was possible. *Emden* (24,038), on the Ems, is on a canal which leads to Wilhelmshaven, and at the beginning of the waterway that leads southward to Dortmund, on the borders of the great Westphalia manufacturing district. It has thus become a great coal port, dealing largely with the import from Britain.

#### WESTPHALIA AND THE RHINE PROVINCE

The great industrial area of western Germany lies partly in Westphalia (Westfalen) and the Rhine Province (Rheinland), the latter lying as far south as Koblenz on both sides of the Rhine. On the right bank the Rhine receives the Ruhr, in the basin of which is a rich coalfield. In the immediate neighbourhood of the coal are the iron and steel works, while across the Rhine, but easily accessible, are the textile factories of the Krefeld region. *Dinsburg* (229,478), near the mouth of the Ruhr, has large iron and steel works and many smaller manufactures. On the opposite side of the river is *Ruhrort*, the centre of the coal trade down the Rhine into the Netherlands. *Bochum* (136,916), between Essen and Dortmund, manufactures steel, especially armour plate for warships. Near Bochum is *Gelsenkirchen* (169,530), formed by the growth and coalescence of several smaller towns, occupied mainly in making coke for conveyance to those parts of the country where there is no coal for manufactures. *Mülheim-on-the-Ruhr* (112,602) sends enormous quantities of coal by rail and canal to all parts of Germany. It also has large smelting works and some textile manufactures. *Dortmund* (214,333), of increasing importance on account of its canal connection with the mouth of the Ems northward and the Rhine westward, is a coal-mining and iron-smelting centre. *Cassel* (153,078) has some of the largest railway works in the country. It also manufactures textiles. *Bielefeld* (78,334), at the northern foot of the Teutoburg Forest, owes its importance partly to a break in the hills, through which runs the route from Cologne to Berlin and also to its linen industry. Just north of the Ruhr is *Essen* (294,629), well known on account of its cast steel and ordnance works, particularly those of *Krupp Barmen* (169,201) and *Elberfeld* (170,118), practically one large town, have large textile industries, chiefly woollen and silk. Barmen has also some chemical works. North-eastward from Barmen is a "Black Country," through which runs the Ennepferstrasse. *Oberhausen* (89,897) a town of recent growth, owes its rise to the facilities for iron and zinc smelting in the neighbourhood. *Krefeld* (129,412), west of the Rhine, is the largest producer of silk goods in the empire, and is second only to Lyons in the whole world. *München-Gladbach* (66,440) and the neighbouring town of *Rheydt* (44,003) form together one of the largest cotton centres in the empire. *Cologne* (Cöln, 516,167) whose long history testifies to the importance of its position, is the largest port on the Rhine, with a considerable transit trade, distributing to the surrounding country and up the Rhine the goods received direct from Rotterdam, and returning goods collected from these parts. The railway bridge connecting it with *Duisburg* on the opposite bank is, perhaps, the most important crossing of the Rhine. Next in importance is that at *Düsseldorf* (357,702), on the right bank lower down, with a trade resembling that of Cologne. *Bonn* (87,967) to the south of Cologne, is a university town, above which begins the splendid scenery of the Rhine gorge. Almost due west of Bonn, on the borders of Belgium and the Netherlands, is *Aachen*

(Aix-la-Chapelle, 156,044), a centre of great industrial activity. Coal, iron, and zinc are all found close at hand, and there is also a large woollen industry largely dependent on the flocks of the Ardennes for raw material. The southern part of the Rhine Province is mountainous and drained by the Mosel, which flows in a very deeply-cut valley at the mouth of which is *Koblenz* (56,478), the capital of the province. Koblenz is of great importance from a military point of view, as it guards the entry into the heart of Germany from the south-west along the Mosel valley, the upper end of which is secured by *Metz* (68,445). *Saarbrücken* (105,097), the centre of an extensive coalfield, has large manufactures of hardware, textiles, and leather. On the slopes of the valleys of the Mosel and the Rhine, south of Cologne, are numerous vineyards. In the extreme north of the Rhine Province, on the Dutch border, is the Customs port of *Emmerich* (13,425).

#### THE HARZ AND THE THURINGIAN STATES

The Harz form a barrier to communications between north and south, and for a distance of nearly 60 miles there is no railway across them. Commercially, they are important for their minerals, principally copper and silver, found most abundantly around *Mansfeld* in the east, in the neighbourhood of which, as in other parts of the Saale basin, are extensive deposits of lignite.

The Thuringian States are largely agricultural, although there are a number of small industries such as doll-making at *Sonneberg* (15,878). The most important commercial centres are *Halle-a-Saale* (169,916), and *Erfurt* (111,461). *Eisenach* (38,351) is historically important from its associations with Luther. *Wimar* (34,581), *Coburg* (23,794), *Meynigen* (17,186), *Gotha* (39,581), *Rudolstadt* (12,949), and *Sonderhausen* are the capitals of their respective States. *Greiz* (23,245) is the capital of the *Elder* Reuss, and *Geis* (49,283) of the *Younger*.

**SILESIA** Silesia consists almost entirely of the upper valley of the Oder, lying between Bohemia on the south-west and Russia on the north-east. Although possessing good supplies of coal, it was, until the development of railways and waterways, so remote from the sea, especially the North Sea, as to be almost entirely dependent upon the local supplies of raw material, largely ores and wool, for its manufactures. Machinery is, of course, largely used, but there is still an extensive domestic branch in the textile industries. On the forested mountains, particularly those on the Bohemian border, a considerable amount of timber is cut, the rapid mountain streams being used both for power and transport to the Oder, along which rafts are drifted to the Baltic. Coal is found in the south in the neighbourhood of *Königshtille* (72,462) and *Beuthen* (67,718), and at the foot of the *Rieser Gebirge* at *Waldenburg* (13,682). Zinc ore (calamine) is found in large quantities on the southern coalfield and smelted at *Königshtille*. Good iron ore (selling at twice the value of the ores of Alsace-Lorraine) is found near *Breslau*.

*Breslau* (511,891), the capital, known formerly as *Wrocław*, was founded where the Oder was most easily crossed, and is now an important railway centre. It has large manufactures of machinery and textiles, principally wool, while in the neighbourhood, at *Hundsfield* and *Oels*, leather and paper are made. *Görlitz* and *Lausitz* (66,620) have large woollen industries, *Görlitz* also making linen and jute goods, flax being grown in the neighbourhood.

and oil palms, while bananas, maize, yams, and tapioca are cultivated by the natives, and coffee cocoa, kola, cotton, and tobacco raised on plantations under European supervision

The capital and chief port is *Lome*. The exports are. Palm kernels and palm oil, rubber, cotton, and maize. The imports are Cotton goods and yarn, spirits, iron goods, and tobacco

There are over 100 miles of railway connecting with *Misahöhe* and *Palim*. There are also good roads

**KAMERUN** The coast of the Kamerun Protectorate extends along the north-east of the Gulf of Guinea from British Nigeria, southward to beyond Spanish Guinea. Inland the colony extends to Lake Tchad, being bounded on the north-west by Nigeria and on the south and east by French Equatorial Africa. The area is 191,130 square miles and the population about 3,000,000

By the readjustment of the Franco-German boundaries in November, 1911, the Kamerun was enlarged to the extent of over 100,000 square miles

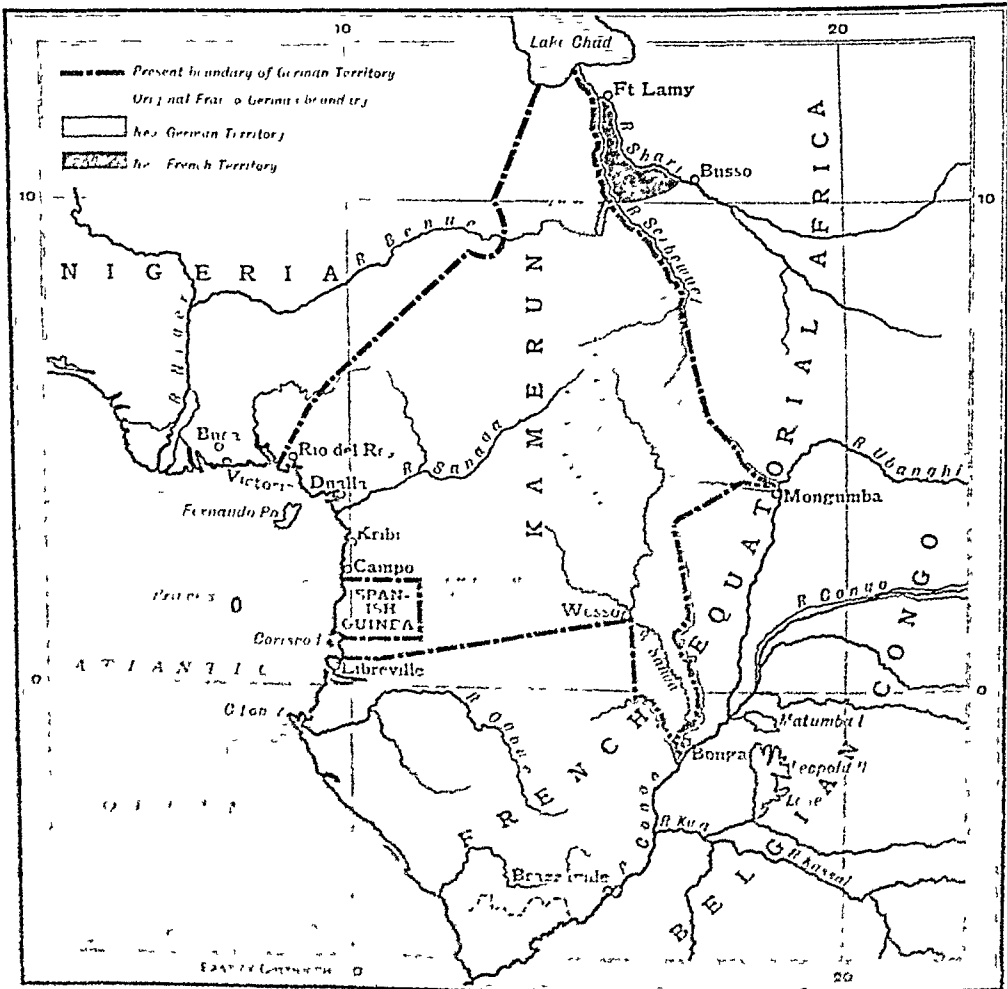
and its population increased by over 1,000,000. The most important part of the deal, however, was that by which Germany secured access to the navigation of the Congo at two places, as shown on the accompanying map

The greater part of the country is high, Kamerun Peak rising to 13,000 ft. The lowland area extends southward from Dualla, with the river Sanaga flowing through the middle of it. The soil here is fertile and the climate tropical. Rubber and oil palms are cultivated, as well as cocoa and kola

*Buea* is the capital, and *Victoria*, *Bimbia*, *Kribi*, *Dualla*, and *Campo* the principal ports and trading centres

The chief exports are: Palm kernels, rubber, palm-oil, ivory, and cocoa, and the chief imports' Textiles, spirits, timber, salt, and iron goods

**GERMAN SOUTH WEST AFRICA** German South-West Africa lies between Portuguese West Africa on the north, and British South Africa on the east and south. It has an area of 322,450 square miles, a native population of 120,000, and

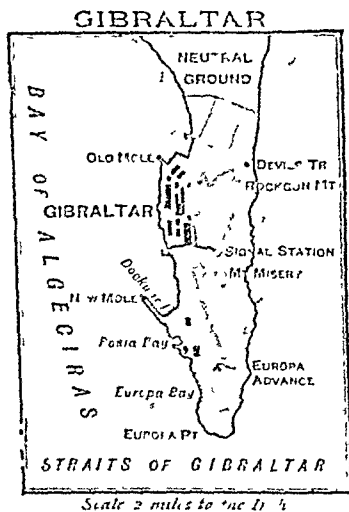


EQUATORIAL AFRICA

SHOWING EXCHANGE OF TERRITORY BETWEEN FRANCE AND GERMANY

6,000 The distance across the bay on the west to the Spanish town of Algeciras is under 5 miles. The distance across the Strait to the nearest point of Africa is 13 miles, or rather more, if measured to the Spanish fort of Ceuta.

The northern half of the colony is flat. In the south the "Rock" rises rapidly to a height of 1,439 ft, its steep southern face terminating in Europa Point. On the western side is the harbour of 450 acres, with 260 acres of deep water for the accommodation of the Atlantic Fleet, of which Gibraltar is the headquarters. There are also large dockyards for repairs.



Gibraltar came into the possession of Britain in 1701, and has been held ever since. It is administered as a Crown Colony, the governor having control of all affairs, both civil and military. The activities of the whole population are directed towards the maintenance of the military and naval works, and there are no industries.

Mails are despatched daily via France. The time of transit is about three and a half days.

**GIFT INTER VIVOS.**—The transfer of ownership in an article, the property being handed over by one person to another under such circumstances that there is a clear intention of the giver to divest himself of all rights in the same. By English law a gift is irrevocable, i.e., when once a complete transfer has been made the giver cannot demand back the article which he has given. But a gift may be unpunished if it is made in fraud of creditors, as for example, by a person who is on the eve of bankruptcy. Such a gift amounts to a fraud on his creditors. Again, the gift must be of something valuable, not of a mere action. Thus, a gift of a cheque, unless the donee cashes it at once or transfers it for value, is of no legal effect. The donee of a cheque, when there is no consideration at all for its transfer, cannot sue the donor upon it.

**GILDS or GUILDS.**—A guild is an ancient institution and means a society or brotherhood established for religious, commercial or fraternal purposes or a combination of all of these. At the time of the Middle Ages, when the power of the Church was sufficient to make a brotherhood of that kind, it was necessary to carry on the confraternity without the blessing of God, the sanction

of the Church, and some outward religious form or ceremony. The earliest form of guild in this country was, probably, of a religious nature, it was an early form of sick benefit society ennobled by Christian ceremony and Christian practice. The members met at stated times, they chose a saint as their patron, they paid an annual subscription, they assisted the poor, they assisted their brother guildsmen in distress, they had occasional feasts in common, and some common meeting-place. In this early form the guild in England was distinctly beneficial, and was part of that lifting machinery by which the doctrine of the greatest good to the greatest number was slowly and surely perfected.

Guilds were not peculiar to England, but traces of them are to be found in many parts of Europe. As internal and external trade increased, the guild spirit began to spread amongst merchants, not only in England, but on the Continent as well. The influence of religion was still paramount in the formation of the brotherhood of merchants, or of traders formed of members of a particular trade. It was natural that merchant guilds could only be successful in cities and towns. The fellowship, when formed, sought to regulate the buying and selling of its peculiar commodity, to keep up the quality of the workmanship, to keep up the price, and to keep competitors out at arms' length, or to admit them to the brotherhood on the payment of a fine. These merchant guilds often obtained from the king some special privilege or monopoly.

The members of the merchant guilds in the various cities and towns were men of some substance, and it would naturally fall to the lot of some of them to assist in the management of the local government of their town, so that there might often be a close connection between the guild, merchant and the town management. The same shrewd traders who looked well after their own business interests might be expected to look after the best interests of their town.

The best illustration of what was the guild merchant in the Middle Ages is to be found in the mere recital of the names of the guilds within the City of London. The chief town hall of the City of London is called the Guildhall, a term often used of the town halls of other cities and towns. It is suggestive of the fact of that ancient meeting-place of some brotherhood in the dim past, when the guild of merchants met in the hall of their guild or confraternity.

The London City Livery Companies represent all the chief trades at present carried on, and some that are out of use. The Armourers are not now required to make helmets, breast-plates, swords, and shields, but in the days of the Plantagenets they were important craftsmen. The Bowyers are not wanted now, but their bows were wanted at Crecy and Agincourt. The Bowyers' Company could not do without the Fletchers' Company, for the Fletchers made the arrows to fit the bows. The twelve great companies, which take precedence because of their wealth, may be summarized thus: The Mercers—this guild or brotherhood was established for regulating the buying and selling of such goods as would now be sold by a general draper; the Grocers, the Fishmongers, the Goldsmiths, the Silversmiths, the Merchant Taylors, and others. They were, by their titles exactly what sort of a brotherhood they were. On the other hand, the term Drapers' Company is ambiguous to modern people. The original members of the guild of drapers were lawyers.

the resultant substance is required. The commonest bottle glass is made of soda, silica, and lime, with an addition of marl, clay, and baryta, but coarse, black bottles can be produced more cheaply still by the use of basaltic rock, either alone or mixed with wood ash. Crown, sheet, and plate glass consist of soda, silica, and lime, in Bohemian glass, potash takes the place of soda, and flint glass contains potash, silica, oxide of lead, and an admixture of nitre. Great care must be taken to have the ingredients free from iron, as this imparts a green colour, which can, however, be neutralised by the addition of oxide of manganese. In the production of coloured glass, various metallic oxides are employed. Many processes are involved in the manufacture of glass. The materials are first mixed and then fused in special pots and furnaces. Pouring or blowing, according to the article required, is the next step, and this is followed by annealing, after which the glass is ready for grinding, cutting, and polishing. France and Belgium supply the best sand for glass-making, which is an important industry in England, with its chief centre at St. Helen's, in Lancashire. There are also large imports of glass from Bohemia, Venice, and Jena, the latter town having become famous towards the end of the nineteenth century for its optical lenses and other glasses for scientific purposes.

**GLAUBER'S SALT.**—Sulphate of soda occurring in transparent crystals, which rapidly dissolve and effervesce in water, but are resolved into a white powder on exposure to the air. The salt has valuable medicinal properties, being used as a cathartic, and it is an important constituent of many natural mineral waters, e.g., those of Carlsbad, Cheltenham, and Hunyadi Janos. It is prepared from common salt and sulphuric acid, and is used in the manufacture of carbonate of soda. Carbonate of lime is one of the ingredients when the mixture is required for medicinal use. Its chemical symbol is  $\text{Na}_2\text{SO}_4 + 10\text{H}_2\text{O}$ .

**GLEBE.**—This word is most probably derived from the Latin *gleba*, which means "a clod," and it is applied to the land which is attached to a church for the support of the minister officiating at it. In olden times no church could be consecrated unless proper provision was made for endowing it with land, and consequently every ancient church has its glebe. The land was held quite free of all temporal services. The freehold in the glebe is vested in the incumbent, but his position is that of tenant for life (*q.v.*). The incumbent cannot, except as permitted by statute (*infra*), alienate the land, and he is liable for what is known as "waste," i.e., such misuse of the land as causes it to deteriorate in value. So long as he keeps the glebe land in his own possession and occupation, the incumbent may cultivate it in any manner he pleases, and he may cut timber for all necessary repairs. But he cannot cut timber for sale, nor can he open new mines upon the land without the consent of the patron of the living and the bishop of the diocese, when the royalties (*q.v.*) derived from the mines are to be put aside for the benefit of the living generally and not for the personal use of the existing incumbent. The restriction as to the sale of the glebe, noticed above, was removed by the Glebe Lands Act, 1888, but no sale can take place unless notice is given to the patron of the living and the bishop of the diocese, and the sale is approved by the Land Commissioners, now the Board of Agriculture. The purchase money derived from the sale is invested

in the name of the Ecclesiastical Commissioners, and the income arising therefrom is applied for the benefit of the living generally. By an Act passed in 1842, provision was made for the leasing of glebe lands for farming purposes, but no lease can be granted which exceeds fourteen years in duration unless it is an improving lease, when the period may be extended to twenty years. There are many other restrictions to be noticed in connection with the granting of such leases, but these are of too special a character to be noticed here.

**GLOVES.**—The most important gloves are those made from the skins of deer, sheep, lambs, goats, and kids, but the latter are seldom used, the so-called "kid" gloves being usually made of sheep skin. Glove and suede gloves differ only in the method of preparing the skin, the former being obtained by dressing the outer side, while "suede" is the result of dressing the inner side. Military gloves, for which Vendôme is noted, are made of chamois leather, and the Cape sheep supplies the unrivalled English dog-skin glove. The best kid gloves are made at Grenoble and at Paris, but a very good quality is now obtained from Brussels, which does a large export trade, as does also Copenhagen. In England, leather gloves are chiefly manufactured at Worcester, Yeovil, Ludlow, and London. Woven and knitted gloves are made of cotton, silk, or wool. They are manufactured at Derby, Nottingham, and Leicester, but large quantities are imported from Saxony and Berlin.

**GLUCOSE.**—The commercial name for dextrose or grape-sugar, which occurs in ripe fruits, honey, etc., but is generally obtained in the form of a sugar syrup from maize, potatoes, or other starchy substance by the action of sulphuric acid. It is used by confectioners and brewers. Germany, France, and the United States are the chief sources of supply.

**GLUE.**—An adhesive substance obtained from three principal sources, viz., hides, bones, and fish skins. The first-named variety is the best, and is prepared from the refuse of tan yards, which is first treated with quicklime and water, then exposed to the air and dried, and afterwards boiled till it forms a jelly. The drying process requires the greatest care, as the glue is apt to decompose. Light-coloured glues are obtained chiefly from sheep-skins. The best glue in the world is manufactured in Scotland. Glue made from France and bones is weak. It comes mainly from France and Germany, and forms one of the by-products of bone charcoal. Fish glue is liquid, and is an excellent adhesive.

Marine glue is a substitute for the gelatinous substance suitable for use in ship construction. It consists of a mixture of indiarubber, powdered shellac, and naphtha, and is used as a cement by shipbuilders, not being affected, as ordinary glue would be, by the action of water.

**GLUT.**—Whenever the supply of any goods in a market is greatly in excess of the demand for the same, there is said to be a glut.

**GLYCERINE.**—A colourless, sweet, viscid liquid belonging to the series of alcohols, and discovered towards the end of the eighteenth century. It exists in combination with fatty acids in animal and vegetable fats, and in certain fixed oils. Glycerine is easily prepared by heating fats in a current of super-heated steam, and is obtained as a by-product in the manufacture of soap and candles. Purification is necessary, however, before

*ekordi* with *Kumasi*. Otherwise, communications are bad, the rivers being navigable only by native craft, while even the native paths on land are frequently blocked by vegetation.

The coast and Ashanti, which came under British control in 1896, and was annexed in 1901, are under direct British rule, and are administered as a Crown Colony. The other parts are visited by a travelling Commissioner.

*Accra* (15,000), on the coast is the chief town. Other towns are *Lihma* (4,000), *Cape Coast Castle* (29,000), *Keta*, *Salipond*, *Winneba*, *Anum*, and *Akuse*. The centre of the protected area beyond Ashanti is *Salaga*.

Mails are despatched every Friday, the time of transit to Accra being sixteen days.

For map, see *AFRICA*, p. 44.

**GOLD COINS.**—Gold was first coined in England about 1257.

The denominations of English gold coins, as set forth in the Coinage Act, are five pound, two pound, sovereign half-sovereign. The coins contain pure gold eleven-twelfths, copper alloy one-twelfth.

Gold coins are a legal tender to any amount so long as they do not fall below the least current weight as given in the Coinage Act.

The light yellow appearance of many Australian sovereigns is due to the alloy being in part of silver. (See *BASIL COINS*, *COINAGE*.)

**GOLD LEAF.**—The name applied to gold when hammered out into leaves about  $3\frac{1}{2}$  in square and  $\frac{1}{100}$  of an inch in thickness. The best gold leaf is made from 25 carat gold, but there are ten varieties according to the quantity and nature of the alloy, which may be either silver or copper. The following is the process adopted: The fused gold is cast into ingots and rolled until it is not more than  $\frac{1}{100}$  of an inch in thickness. It is then cut into pieces an inch square, which are placed between alternate pieces of vellum  $\frac{1}{4}$  in square, and beaten until the gold has spread to the size of the vellum. The gold leaves are then divided into four, placed between gold-beater's skin and again hammered, the process being repeated until the dimensions mentioned above are attained. Gold leaf is used for gilding. It is prepared in London and in many other large towns of Great Britain, Belgium, France, and Germany now export large quantities of gold leaf, but the British product remains by far the best.

**GOLD PLATE.**—(See *PLATE*.)

**GOLD POINTS.**—(See *SPECIFIC POINTS*.)

**GOOD FAITH.**—By the Bills of Exchange Act, 1882, and by the Sale of Goods Act, 1893, it is enacted "A thing is deemed to be done in good faith where it is in fact done honestly, whether it is done negligently or not." In connection with negotiable instruments, Lord Herschell said in a case tried in 1892, "If there is anything which excites the suspicion that there is something wrong in the transaction, the taker of the instrument is not acting in good faith if he shuts his eyes to the facts presented to him, and puts the suspicions aside without further inquiry." (See *BON A FIDR*.)

**GOOD MERCHANTABLE QUALITY AND CONDITION.**—This is a phrase frequently met with in written contracts. It signifies that the goods that are stipulated for shall be up to the ordinary standard of quality, and in their customary sound state.

**GOODWILL.**—This term, though very frequently used and quite well understood, does not appear to be capable of a satisfactory and exact definition, or, at any rate, none has yet been put forward. In one sense, it means every practical advantage which has been acquired by an established business firm in carrying on its trade under a particular name and style, or, to put it in the language of a famous judge, "the probability that the old customers will resort to the old place."

Two legal writers of eminence have thus referred to the subject. One of them (Lord Landley) has said "The term goodwill can hardly be said to have any precise signification. It is generally used to denote the benefit arising from connection and reputation, and its value is what can be got for the chance of being able to keep that connection and improve it. Upon the sale of an established business its goodwill has a marketable value, whether the business is that of a professional man or of any other person. But it is plain that goodwill has no meaning except in connection with a continuing business, and the value of the goodwill of any business to a purchaser depends, in some cases entirely, and in all very much, on the absence of competition on the part of those by whom the business has been previously carried on." The other (a writer on Commercial Law) has summarised the various definitions thus—"All that can be gathered from the various definitions is that where the locality of the business premises makes the trade, goodwill represents the advantage derived from the chance that customers will frequent the premises in which the business has been carried on, that where the business is one which depends upon the reputation of a firm, the goodwill consists of the advantage which the owner derives from being allowed to represent himself as such, that where the business is due to the individuality of the owner, and where its reputation cannot be separated from him, the goodwill is all but non-existent, and that where the value of the business depends upon the business connection, the goodwill consists of the right to be properly introduced to those connections."

The goodwill of a business is frequently one of its most valuable assets, and there is a legal right or interest in it, an incorporeal right, as it is called, which is most jealously guarded. On a conveyance or an agreement for the sale of the goodwill of a business, an *ad valorem* stamp duty is levied. What is the value of the goodwill of a business must depend entirely upon circumstances.

When a business is sold, the goodwill passes to the transferee, and it is most important that nothing should be done by the transferor to interfere with the conduct of the business. The common method adopted is for the transferor to enter into an agreement with the transferee not to compete with him in any similar business. If the agreement is not too wide to be enforced, according to the rules governing restraint of trade (*q.v.*), a transferor will be bound by the agreement. In the absence of any special agreement, the question as to what extent the transferor is bound not to enter into competition with the old firm has caused great trouble to the courts. After a series of varying decisions the present state of the law may be thus summed up, as the result of the decision in the leading case of *Trego v Hunt*, 1896, App. Cas. 7: That person alone who has acquired the goodwill of a business is entitled to represent himself as

Dr		A CAPITAL ACCOUNT										Cr.	
1910													
Jan 1	To Balance	✓	6,250	0	0	1910	Jan 1	By Balance	✓	5,000	0	0	
							" "	" ½ Share of Goodwill		1,250	0	0	
			£6,250	0	0					£6,250	0	0	
						1910	Jan 1	By Balance	✓	6,250	0	0	
Dr		B CAPITAL ACCOUNT										Cr	
1910						1910	Jan 1	By Balance	✓	5,000	0	0	
Jan 1	To Balance	✓	6,250	0	0		" "	" ½ Share of Goodwill		1,250	0	0	
			£6,250	0	0					£6,250	0	0	
						1910	Jan 1	By Balance	✓	6,250	0	0	
Dr		C CAPITAL ACCOUNT										Cr	
						1910	Jan 2	By Cash		2,500	0	0	
Dr		GOODWILL ACCOUNT										Cr	
1910													
Jan 1	To A's and B's Capital A/cs		2,500	0	0								

**GOOSEBERRY.**—The berry of the prickly shrub, *Ribes Grossularia*, which grows abundantly throughout North and Central Europe, and in the United States, where its introduction began to be attended with success towards the end of the nineteenth century. The best English gooseberries are grown in Lancashire. The fruit is popular both in its fresh and in its preserved state, and is also used in the preparation of certain sorts of vinegar and of wine.

**GOURD.**—The name of various species of climbing plants of the order *Cucurbita*. The fruit is noted for its size and fleshiness. Some varieties, e.g., the vegetable marrow and the cucumber, are kept for human consumption, while others, e.g., the common pumpkin of Italy, are used as a cattle food. The bottle gourd has a hard outer rind, which is used as a drinking vessel, and the torrel gourd yields a fibre sometimes employed as vadding for guns. The plant grows in many parts of Europe, Asia, and America, and many species are found in England.

**GRAIN.**—This is the smallest weight in the systems which are in use in England and America for denoting the weights of bodies. The origin of measures and weights in England is to be found in a grain of barley or wheat. The weight of 32 grains, well dried and taken from the middle of the ear, was called 1 pennyweight. The pennyweight was afterwards divided into 24 grains, and is now an artificial standard.

In a statute of Edward I it is enacted—

(a) "An English penny, now the largest coin in England, which is called a sterling, round and without clipping, shall weigh 32 grains of wheat, well dried, and gathered out of the middle of the ear,

(b) "And twenty of these pence, or twenty pennyweights, shall make an ounce,

(c) "And twelve of these ounces shall make a pound."

The grain is usually taken as the common unit in comparing the system of weight known as avoirdupois, containing 437.5 grains to an ounce, or



Graving or dry docks, opening out of a dock, are the usual means provided for enabling the cleaning and repair of vessels to be carried out. They require to be built of good water-tight masonry. The entrance has generally a pair of folding gates pointing outwards, to exclude the water, but sometimes it is closed by means of a caisson, viz., a vessel shaped something like the hull of a small ship, and having a keel and two stems, which fit into a groove in the masonry. The caisson is sunk into the groove by admitting water into its interior, and is floated out again by pumping out the water. Keel blocks are laid along the centre line of the dock for the keel of the vessel to rest on when the water is pumped out. The dimensions of graving docks vary considerably. The sizes of some of the largest graving docks are as follows: Liverpool, Canada Dock, 925½ ft long, 94 ft width of entrance, and 29 ft depth at the ordinary water-level in the dock; Tilbury, 875 ft by 70 ft by 31½ ft; and Glasgow, 880 ft by 80 ft by 26½ ft. Where there is no site available for a graving dock, floating dry docks, built originally of wood, but more recently of iron and steel, have occasionally been resorted to. The first Bermuda dock towed across the Atlantic in 1869, and the new dock launched in 1902, 545 ft by 100 ft, are notable examples.

**GREASE.**—Fatty substances of various kinds often more or less impure. A mixture of tallow and cod oil is used for currying leather, and another mixture, consisting of tallow, palm-oil, soda and water, with an occasional addition of tar, is much employed as a lubricant for the axles of carts.

**GREASY WOOL.**—The unsoured wool of sheep, as it is generally imported from South Africa and Australia.

**GREECE.**—Position, Area, and Population. Greece forms the southern portion of the mountainous Balkan Peninsula. It has an area of 24,399 square miles and a population at the last census of 2,631,952. Its northern boundary, separating it from Turkey, begins on the 40th parallel on the east coast, and, running west along the base of Mount Olympus in an irregular line, bends south-westward to the River Arta, and follows the course of that river southward to the sea on the 39th parallel. Cape Matapan, the southernmost point, is in latitude 36½° N.

The Greek Islands. To the west is the Ionian Sea, along the coasts of which lie the Ionian Islands, Corfu, Leucas (Santa Maura), Cephalonia, and Zacynthos (Zante). Off the eastern coast, in the Ægean Sea, are numerous islands, the largest of which, Eubœa or Negroponte, is separated from the mainland by a very narrow strait. North-eastward from this are the Sporades, and south-eastward the Cyclades.

The islands of Cerigo and Cerigotto, lying off the south coast with the numerous islets that accompany them, present serious obstacles to navigation in the seas between Crete and the mainland.

**Build and Sea Routes.** The mountains that fill the mainland extend generally to the sea, forming imposing cliffs and splendid harbours. Of the many arms of the sea, the largest is the Gulf of Corinth, which, extending eastward to within 4 miles of the Gulf of Ægina, makes the southern half of the country, known as the Peloponnesus or Morea, virtually an island. (The cutting of a canal through the isthmus has now made it such.) Both on the east and south coasts arms of the sea pen-

trate far into the land, forming mountainous peninsulas.

Between these peninsulas communication by land has always been difficult, and the consequent use of the sea as a highroad has diminished the difficulty of incorporating numerous islands under the central government.

The cutting of the Corinth Canal both shortens the journey between the islands of the Ionian and Ægean Seas and avoids the dangerous rocks around the Island of Cerigo in the south. On the other hand, the dimensions of the canal, 26 ft deep and 100 ft wide, together with the strong currents that run through it, due to its being cut at sea level without locks, lead to its being but little used except for local traffic. The water between the Island of Leucas and the mainland is at present too shallow for ships trading with Corfu from the south and the deepening of this channel is under consideration.

**Climate and Vegetation.** On the whole, the climate of Greece in the lowlands is typically Mediterranean, with very warm, dry summers and wet winters. The western coast, however, is much moister than the eastern side of the country, where everything is withered by the heat and drought of summer and where in winter, with the exposure to winds from across Russia, the temperature is often very low. Evergreen plants flourish, and the lower mountain slopes are clothed with fine forests of oaks and conifers.

**Agricultural Products.** The product that enters most largely into foreign trade is the currant, a small dried grape grown almost exclusively in Greece and the neighbouring islands. The name "currant" is a corruption of the word Corinth, in the neighbourhood of which and along the southern shores of the gulf of that name large quantities of the fruit are produced. The best come from the islands. Other grapes are grown for the manufacture of wine, some of which is exported, as are also olives and tobacco. Although Greece is predominantly agricultural, not enough grain is grown, and much is imported, chiefly wheat and maize. The drought of summer makes irrigation necessary almost everywhere for successful agriculture. The extensive marsh land known as Lake Copais has now been drained, and the natural fertility of the lake soil is enhanced by the facilities offered by such low-lying land for irrigation works.

**Mineral and Other Products.** There is considerable mineral wealth, and ores lying near the coast are worked to some extent for export. At Laurion, in the Peninsula of Attica, manganiferous iron ore is mined, together with silver-lead ores. The island of Serphos, one of the Cyclades, also produces iron, some lignite of inferior quality is obtained, and emery is found in the island of Naxos.

Bath sponges are collected in the surrounding seas for export. The chief centre of the Greek industry, however, is the Island of Kalymno, off the coast of Asia Minor, outside Greek territorial waters.

**Trade.** The central position of the country between the Mediterranean and Black Seas, and the nearness of the overland routes to the east through Asia Minor and Egypt, were responsible for the commercial importance of Greece centuries ago. Even after the Turkish occupation of the mainland many islands were retained by the republic of Venice as trading stations. Hermonopolis, on Syra, is the chief centre of trade in the Ægean and many Greek vessels are engaged in the

**GRESHAM'S LAW.**—Sir Thomas Gresham, the founder of the London Royal Exchange, to whom is also attributed the introduction into our monetary system of that most potent agent of circulation—the cheque—was the chief financial adviser of Queen Elizabeth. The “law” which he, first of the moderns, enunciated clearly, is an application to coinage of a principle long known, inherent indeed in human nature. Expressed generally, it comes to this: If two articles in my possession can be equally well applied to some one purpose, I apply to that purpose the article which I value the less. Yesterday’s paper is just as good for lighting the fire as to-day’s, but to-day’s is more useful in other respects, and so I light my fire with yesterday’s. Applied particularly to money, the law may be thus stated: When two coins of unequal value are equally good for releasing from debts, the poorer coin alone remains in circulation, or, in the usual epigrammatic form, “Bad money drives out good, but good money cannot drive out bad.” If the State treats pieces of full weight and high standard as of equal value with lighter pieces of lower standard, and seeks to compel its subject to do likewise, the better coin will disappear from circulation. The inferior coins will remain in the one market where they fetch the same price as the superior coins. The superior coins will assume some form or betake themselves to some place where their superiority is an advantage. *Unless there is an effective withdrawal of the inferior coinage, or unless the better coinage is rated higher, the better coinage cannot survive*—no one in the Argentine pays with gold when paper will serve his turn.

The occasion of Sir Thomas Gresham’s remarks was the sterile astonishment with which his contemporaries noted that the heavy, new coins issued from the Mint disappeared in mysterious fashion, while the old, clipped, worn, and debased coins continued to swarm everywhere. Elizabeth’s revered father, the first Defender of the Faith, had not kept faith with his creditors or his subjects. He had, by debasing the standard, “that least covert of all modes of knavery,” conferred on all debtors a licence to rob their creditors. The famous financier persuaded the Queen “to call down,” in 1560, the amounts at which the depreciated coins would be received in payment of public or private debts. Their debt-paying power was now no more than was justified by their weight of fine metal. There was no incentive to cull heavy coins for the crucible, or for export, or for hoarding.

Gresham’s lesson did not, it would appear, make a lasting impression. In the reign of Charles II a resolution was made to reform the coinage. Till then the coins had been made in what we should imagine a very primitive fashion. The metal was cut by shears, and was shaped and stamped by the hammer. A uniform weight could hardly be expected, and few of the coins were quite round. The rims were not marked, so that it was quite easy to clip away a portion of the coin without being detected. To the question, “whose is this image and superscription?” could not then have been made a full answer. The image alone could be guessed at, the superscription on most of the coins had disappeared. The rigorous laws enacted against clippers in Elizabeth’s reign failed to lessen appreciably the fraudulent practice. Though hangings were frequent, the clipper pursued his lucrative calling. Some reform was imperative. To effect the desired improvement and to lessen the chances of

clipping, a mill, which in great measure superseded the human hand, and which turned out coins difficult to counterfeit, perfectly round, and having the edges inscribed, was set up on Tower Hill. It was expected that the excellent new money would quickly displace the old impaired coinage; but since the milled and the hammered coins were current together, and were legal tender without distinction, the milled coins went into the melting-pot or crossed the Channel. The people perversely continued to employ the old, light, battered coins in monetary transactions. “The horse in the Tower still paced his rounds. Fresh waggon loads of choice money still came forth from the mill, and still they vanished as vast as they appeared. Great masses were melted down, great masses exported; great masses hoarded, but scarcely one new piece was to be found in the till of a shop, or in the leathern bag which the farmer carried home from the cattle fair. In the receipts and payments of the Exchequer the milled money did not exceed ten shillings in a hundred pounds.” It was a matter of chance whether what was called a shilling was really tenpence, or sixpence, or fourpence: there was for practical purpose no measure of the value of commodities, and it became absolutely essential that vigorous and intelligent efforts should be made to relieve trade from its embarrassments and disorders. The efficacy of the great re-coinage of 1696 was assured by the decision that, after a definite date, only the new coins should be current, the old coins should no longer pass by tale but by weight like other commodities.

All the more enlightened nations now take elaborate precautions against the loss of their good money and its supersession by light or debased money. But there was a danger in the United States, before the annulling of the Sherman Act in 1893, that gold would disappear from the currency and depreciated silver take its place: people were beginning to make gold contracts and use gold reserves. And in some countries, like the Argentine, the depreciated paper money, which is inconvertible—which cannot, that is, be turned into cash on demand—has almost displaced gold and silver, which are at a constant premium. In our case the sovereign, our unit of value, is not current below a certain weight: when issued from the Mint it is 123.25 grains, if it falls below 122.5 grains it is not legal tender. And in order that there shall be no temptation to keep abraded coins in circulation, they are automatically withdrawn by the banks and passed on to the Bank of England, which takes them for the Mint at their full value. The loss caused by usage is, therefore, borne, as it should be, by the public, and we have a currency as nearly as possible perfect.

**GRIFFITH’S VALUATION.**—About a quarter of a century after the Union of Great Britain and Ireland, in fact, in 1825, the Government of the day resolved upon a valuation of the land of Ireland being made, the main object being the preparation of a basis upon which taxation should be fixed. It was not until 1845, however, that the project was really taken in hand, when Mr Richard Griffith (afterwards Sir Richard Griffith) was appointed commissioner to superintend the valuation. The result was made known in 1850, and the report was called Griffith’s valuation. There has been much criticism devoted to this report, but it has been found exceedingly useful as a basis for taxation as well as for arriving at the fair

contract cannot have an entirely independent existence it must depend upon and have relation to another contract between the creditor and the principal debtor, and the surety cannot be called upon under his guarantee until the principal creditor is in default under such other contract. It is important to recognise this distinction between a guarantee and an entirely absolute and independent contract, because the rules of law we are now about to discuss may have no application to the latter kind of contract, and it is, in practice, frequently of vital importance to ascertain whether a particular contract is a guarantee, and so subject to special rules, or whether it is an independent contract, such as a contract of indemnity, which will only be subject to the ordinary law regulating contracts (*q.v.*) The dividing line is often a very thin one, and there is sometimes considerable difficulty in ascertaining into which class a particular contract falls. An indemnity has been defined as a contract, express or implied, to keep a person who has entered into a contract, or who is about to enter into one, indemnified against loss under the contract, independently of the question whether a third person makes default. A policy of fire insurance is a well-known form of an express contract of indemnity, and the contract of agency (*q.v.*) gives rise to a familiar example of an implied indemnity, a principal being bound to indemnify his agent against the consequences of all lawful acts done by the agent in pursuance of his authority. The test to be applied in order to distinguish between the two forms of contract is to discover whether the person who makes the promise is primarily liable thereon, or does his liability depend upon the previous act or omission of someone else, if the former, it is an indemnity, if the latter, a guarantee. A simple example may make this clear. A and B go to a tailor's shop, and A says to the tradesman "Make B a suit of clothes, and if he does not pay you, I will." This is a guarantee by A to the shopkeeper. If, on the other hand, A says, "Make B a suit of clothes and I will pay," or "put it down to me," then A makes himself primarily liable, and the contract is one of sale. But if A had used some such words as, "I will see you don't lose by the transaction," then the attendant circumstances would have to be enquired into, to see whether he was giving an indemnity, or was guaranteeing that B would pay for the clothes.

**Formation of the Contract.** Guarantees are subject to the ordinary requirements of contracts, there must, for example, be mutual assent of the parties to the contract, the parties must be capable of contracting, and there must be a valuable consideration unless the contract is under seal. (See **CONSIDERATION**, **CONTRACT**, **DEEDS**) If there is a sufficient consideration existing, it is not necessary that it should be stated in the written document which embodies the contract of guarantee. In addition to compliance with these general requirements, there is a further essential to the validity of a guarantee—*there must be a memorandum in writing* of the terms of the contract sufficient to meet the requirements of Section 4 of the Statute of Frauds (29 Car. 2, c. 3), which enacts that no action shall be brought upon any special promise to answer for the debt, default, or miscarriages of another person, unless the agreement upon which such action shall be brought, or some memorandum or note thereof, shall be in writing and signed by the party to be charged therewith, or some other person thereunto by him

lawfully authorised. For what amounts to a sufficient memorandum to satisfy the statute, see **STATUTE OF FRAUDS**. An indemnity does not need to be in writing. Although a verbal guarantee cannot be sued upon, it is not void, and if a person pays money under it he will not be able to recover the money back again. By a later Act of Parliament, known as "Lord Tenterden's Act," no representations as to the character, conduct, credit, ability, trade, or dealings of any other person, in order to obtain him credit, can be sued upon unless made in writing and signed by the party to be charged.

A guarantee not under seal must bear a 6d stamp, if by deed, the stamp is usually 10s. A guarantee to pay for goods to be supplied to a third person does not require a stamp, nor do representations as to character, etc., under Lord Tenterden's Act.

**Surety's Liability.** The liability of a guarantor or surety does not arise until the principal debtor has made default, and, subject to that, the extent of the liability will depend upon the terms and conditions of the contract, for a surety is entitled to insist on a rigid adherence to these by the creditor, and cannot be made liable for anything more than he has undertaken, and in the interpretation of the terms and conditions the ordinary rules of construction (see **CONTRACT**) will be applied. Dealing with a guarantee as a mercantile contract, the court does not apply to it merely technical rules, but construes it so as to give effect to what may fairly be inferred to have been the real intention and understanding of the parties as expressed by them in writing, and *ut res magis valeat quam pereat*, or with a strong leaning towards making the contract effective rather than to destroy it.

A guarantee may be only in respect of a single transaction or for a specified time, or it may cover a series of transactions, when it is called a "continuing guarantee," and endures until the things contemplated by the parties and covered by the guarantee have all happened, or the guarantee has been revoked. Unless otherwise agreed, a continuing guarantee is revoked by any alteration in the persons to or for whom it is given; thus, the retirement or death of a partner in a firm to whom a guarantee has been given will generally discharge the surety. (See also **FIDELITY GUARANTEE**.)

As soon as the principal debtor has made default, such not being due to the misconduct or with the connivance of the creditor, the latter may proceed against the surety, without being under any necessity, unless the contract otherwise provides, of first suing the principal debtor and of taking any other form of proceedings against him. Of course, if the contract contains any condition precedent to the surety being liable, that condition must be fulfilled. A common example is the stipulation, in a contract to guarantee payment for goods sold, that the goods shall be delivered to the purchaser. In such a case, though the day on which the purchaser was to pay the price has passed, the surety cannot be called upon until the goods have been delivered. If a surety becomes bankrupt, the creditor may prove against his estate for the amount of the guarantee.

**Surety's Rights.** A surety has certain well-defined rights against (1) the creditor, (2) the principal debtor, (3) any co-surety.

(1) Any time before default, a surety is entitled either to call upon the creditor to require the principal debtor to pay or to do the agreed thing, but he cannot compel the creditor to proceed against the debtor without giving him an undertaking to

guaranteeing company if the original company is unable to meet its obligations. This frequently occurs in the case of railway companies where one company has the right of running over the lines of another company.

**GUARANTOR.**—The person who gives a guarantee.

**GUARDIAN AD LITEM.**—Except when he is suing for wages, an infant plaintiff must always appear in court by his "next friend" (*qv*). Similarly, when he is a defendant, a person must be assigned to him as guardian *ad litem*, in whose name the proceedings must be taken. The "next friend" is always personally responsible for the costs which may be incurred. A guardian *ad litem* is not personally liable for any costs unless they have been occasioned by his own actual negligence or misconduct.

**GUARDIAN AND WARD.**—So long as the father of an infant child is alive, he is its natural guardian, and after his death the mother is the guardian, either alone or in conjunction with some other person nominated by the deceased father in his will. Again, a mother of any infant may, by deed or will, appoint any person or persons to be guardian or guardians of such child after the death of herself and the father, if such infant is then unmarried. And, in addition, a mother is empowered by deed or will to nominate provisionally some fit person or persons to act as guardian or guardians with the father after her death, and the court will, if satisfied that for any reason the father is unfitted to be the sole guardian, confirm such appointment.

It is seen, therefore, that, generally speaking, there cannot be a guardian except the father so long as he is alive, unless good cause is shown that he is not a fit person to act as such. But by recent legislation it has been provided that the court will interfere and prevent the father—or the mother, if she has succeeded to the father's place—from regaining the custody of a child which is detained from him, if it is satisfied that the child has been abandoned or deserted, or been guilty of such conduct as will disentitle him to have his natural rights protected. The same rule applies if a parent has allowed any person to bring up a child under such circumstances as make it clear to the court that the parent is unmindful of parental duties, and convince it that the resumption of parental control is not for the child's benefit.

The guardianship of children after a decree of divorce is entirely in the discretion of the court, and will depend upon the particular circumstances of the case.

It is only rarely that any person other than one or both of the parents can appoint a guardian. But if the parents are dead, or if they by their conduct have rendered themselves unfit, in the opinion of the court, to maintain their natural right of guardianship, a stranger may appoint or select a guardian to a certain extent. Thus, if substantial pecuniary benefits are given to an infant by a stranger who proposes to appoint a particular guardian, then the court will generally give effect to such appointment, if it is satisfied as to the proposed guardian being a fit and proper person. Also where no guardian at all has been appointed, the court will take upon itself to nominate a guardian, provided the infant has some property within the jurisdiction over which the court can exercise control, if necessary.

Sometimes it is desired to make an infant a ward

of court, as a special protection. This cannot be effected unless the child has some property. In order, then, to accomplish this purpose, it is the practice for some person who is interested in the infant to settle a sum of money upon him or her—£50 or upwards—or to pay the sum into court to the credit of the child. When this has been done, the court will exercise a general supervision over the infant until the attainment of the age of twenty-one in the case of a male, and until the attainment of that age or marriage in the case of a female. A person will be appointed guardian, and such guardian will act under the general supervision of the court. One of the principal restraints imposed in the case of a female infant, who is a ward of court, is in respect of marriage, and any person concerned in procuring a marriage with an infant ward is guilty of contempt of court (*qv*) and liable to imprisonment. It is still a case of contempt of court though the person or persons involved in it is or are unaware of the fact of the wardship.

In most cases the position of guardian and ward is exactly the same as that of parent and child. But there is one great exception. Unless the circumstances are very exceptional, the court will not allow a gift made by a ward to a guardian to stand good if made by the ward during the continuance of the guardianship.

**GUARDIANS' MEETINGS (BOARDS OF).**—The statutory provisions governing these meetings are contained in the Local Government Act, 1894, (Sec. 59), and the Public Health Act, 1875 (Sched. I), and are as follows—

The guardians at their annual meeting must elect a chairman for the year, who may be either one of themselves or someone from outside. Further, they may appoint for a concurrent period of office a vice-chairman, who also may be one of themselves or an outsider, and he will have the powers and authority of the chairman during the latter's absence or inability. Both the chairman and vice-chairman must be either parochial electors of a parish within the particular union, or have resided in the union during the whole of the twelve months preceding the election, or, in the case of a parish situated within a borough, they must be eligible for membership of that borough council. Women are eligible. An interim vacancy in the chairmanship shall be filled for the unexpired period by appointment under the usual conditions. It is extremely important to note the various ways in which a chairman may become disqualified, space does not permit of their being set out here.

Every board of guardians must from time to time make regulations with respect to the summoning, notice, place, management, and adjournment of their meetings, and generally with respect to the transaction and management of their business. These regulations appear to be subject in some respects at least to the control of the Local Government Board. Meetings may not be held in premises licensed for intoxicating liquor, unless no other suitable room is available either free of charge or at a reasonable cost.

The proceedings of a board of guardians shall not be invalidated by any vacancy or vacancies among their members, or by any defect in the election of such board, or in the election or selection, or qualification of any member thereof.

The annual meeting of a board must be held as soon as convenient after April 15th in each year, and business meetings must be held at least once

were also required to find competent sums of money towards the necessary relief of the lame, impotent, old, blind, and such other among them who were poor and not able to work. Children of the parish were also to be put out to apprentice. The poor rate was compulsory then, as now, and whoever failed to pay it was liable to have his goods taken in distress or himself to be imprisoned.

The poor law was amended in 1834, and the administration of the poor law was vested in Poor Law Commissioners, that body is now extinct, and their place is taken by the Local Government Board. The duties of the guardians are supervised and controlled by the Local Government Board, some of those duties are. The management of the poor, the government of workhouses, the education of workhouse children, apprenticeship, the control of poor law parish officials, the keeping of accounts, the making of contracts. All parishes are grouped in certain convenient clusters, each group is called a union, and, generally, one workhouse is sufficient for each union. The offices connected with the union are where the board of guardians meet to carry out their duties. The fund raised from the rates for relief of the poor is called the common fund.

It is the duty of the guardians to ascertain the value of property in every parish, to assess the same, and upon this assessment the poor rate is based. In fact, the valuation and assessment made by the guardians of the poor forms the basis of all parochial rates, and imperial taxation, so far as imperial taxation is raised from property in land.

The word "guardian" means, any visitor, governor, director, manager, acting guardian, vestryman, or other officer in a parish or union, appointed or entitled to act as a manager of the poor, and in the distribution or ordering of the relief to the poor from the poor rate. The Local Government Board may fix the number of guardians to be elected for any parish, or divide a parish into wards, and fix the number of guardians to be elected for each ward. A like power is given to county councils acting in conjunction with the Local Government Board.

A board of guardians is a corporate body, and possesses a common seal by which it authenticates its acts and makes its important contracts. There must be at least three guardians present at a board meeting, if there are less than three present, any act sanctioned would not be legal. An extended summary of the duties of guardians will conclude this article. The duties of guardians. To direct the relief of the poor, to direct the assistance given to the able-bodied poor, to direct outdoor relief, that is, relief given to the poor who do not enter the workhouse, to supply casual wards, to assist in the emigration of the poor; to apprentice poor children to prosecute vagabonds and persons forsaking their families, to remove paupers to the union to which they are properly chargeable; to lure or purchase land, and erect workhouses thereon, to appoint the visiting committees of workhouses, to appoint registrars and superintendent registrars of births and deaths, to pass the union accounts, to defend appeals against the poor rate, to make maps and plans for parish purposes, and to order a new valuation of the property of each parish when the same is necessary.

**GUATEMALA.**—Guatemala is one of the States of Central America situated between the Pacific and the Atlantic about 15° N latitude. It has an

area of about 48,300 miles, but the boundary with Honduras is not yet definitely fixed. The population numbers close upon 2,000,000, two-thirds being Indians, some of whom are compelled to render forced labour.

Running north-west to south-east, parallel with the Pacific, is a high range of mountains fringed on the Pacific side by a low, narrow coastal plain, and descending more gradually north-westward to the lowlands of Yucatan with several ridges parallel to the main ridge.

Lying within the tropics, the climate is hot and damp in the lowlands. In the higher lands the temperature is lower, and when parallel ranges protect the intermediate districts from winds, both from the Atlantic and the Pacific, the rainfall is small—about that of eastern England. The east is rainy throughout the year, but on the Pacific slope there is a dry season from November to April.

Rubber, mahogany, and dye woods from the forests are valuable products, and are exported to the United States by land through Mexico. The soil is fertile, and the chief crop is coffee. Bananas, sugar, maize, and other tropical products are also grown. The bulk of the population is engaged in lumbering and agriculture, and while the mineral wealth is known to be great, it is at present but little worked.

The roads, although many are little more than mule tracks, are passable, except in the rainy season. Railways are being extended into the coffee lands.

The chief Atlantic port is *Puerto Barrios*, which is connected by rail, with *San José* on the Pacific, by a line running through the capital. It is in direct communication with New York, New Orleans, and Hamburg (Norddeutscher Lloyd).

Coffee and rubber are exported to the United States, Britain, and Germany, bananas and silver are also sent to the States. Most of the imports, including cotton, flour, and railway materials, are from the United States. Smaller imports are obtained from Britain and Germany.

*Guatemala la Nueva*, the capital, has a population of 125,000, a very large proportion of whom are of European descent. Other towns, with a population of 30,000 and over, are *Toninicapan*, *Quetzaltenango*, and *Cobán*.

The Spanish yoke was drawn off in 1821, and the present republic was established in 1847. There is universal suffrage, the legislative power being vested in a National Assembly directly elected, and a Council of State, partly appointed by the president. The executive is vested in the president, who is elected directly by the people.

The regular mail service is twice a week, via New Orleans. The time of transit is about twenty days. For map, see CENTRAL AMERICA.

**GUAVA.**—The name of a tropical tree of the myrtle family and of its fleshy, pear-shaped fruit. The wood of the guava (a species of *Psidium*) is valued by turners for its hardness, and the aromatic fruit is much used in the preparation of preserves and jellies. The tree is a native of the West Indies, but is also found in the East Indian archipelago.

**GUIANA.**—The Guianas lie on the north-eastern coast of South America, just north of the equator. Originally held by the Dutch, the country is now divided between the British, Dutch, and French. British Guiana is the only portion of the South American continent under British control.

The climate is hot and moist, but the heat is

as the Brazil Current. The northern part, flowing along the north-eastern shore of the Continent, passes between the small islands in the south of the West Indian Archipelago, into the Caribbean Sea, and thence into the Gulf of Mexico, through the passage between the Island of Cuba and the peninsula of Yucatan. The only other communication between the waters of the Gulf and those of the ocean is to the north of Cuba through Florida Strait, and after passing round the Gulf in a broad, slowly moving "drift" known as the Gulf Drift, the stream is forced through this narrow channel and its speed greatly quickened. It enters the Atlantic as a river of very salt water 50 miles wide, and 2,000 ft deep, with a temperature at the surface of 81° F and a velocity of 4 or 5 miles an hour. As it emerges, it is joined by a small branch of the North Equatorial Current that passes between the Bahamas and Cuba, and then flows northward. This direction is determined by the general circulation of the waters of the north Atlantic. The northern current, after flowing north for some distance, crosses the Atlantic towards Portugal, and then flows southward again to be caught up once more by the trade winds and driven westward. A huge eddy is thus formed, in the middle of which is a region of still water where sargasso weed collects, forming a "Sargasso Sea." It is along the borders of this eddy that the Gulf Stream flows, the waters of the two systems mixing in mid-Atlantic to a considerable extent.

On reaching the latitude of Cape Hatteras, the Gulf Stream turns eastward. By now it has considerably broadened and lost much of its distinctive character, and as a current with a flow independent of small changes in the direction of the wind it no longer exists. It is a broad, slowly-moving drift, whose movements are susceptible to every change of wind, but since it has now reached the region where the south-west wind prevails, its waters are driven slowly north-eastward past the shores of the British Isles and along the coast of Norway to the Arctic.

**Effect on North America.** Coming down from the Arctic along the eastern coast of North America is a cold current, bringing much ice and giving Labrador its sub-Arctic climate. Where the Gulf Stream drift approaches this, the condensation of the moisture above it gives rise to the fogs that are encountered by ships from New York and other American ports, and that make fishing on the Newfoundland banks so dangerous. At the same time the ice, entering the warmer water, is melted, so that icebergs are seldom encountered to the south of the drift. The Banks of Newfoundland are formed to a large extent of material brought down embedded in icebergs and dropped when the ice melts.

**Effect on Britain and Europe.** The presence of this body of warm water has an effect on our islands and Western Europe both in raising the temperature in winter and also in increasing the humidity of the air. In no part of the world does the ice-free coast extend so far north, and in some places off the coasts of Britain water at a temperature of 40° is found a mile below the surface, while even at the equator lower temperatures are found at less than half a mile.

The significance of its effect on the countries past which it flows is, perhaps, best illustrated in Scandinavia and the extreme north-west of Russia. For months during the winter Swedish iron ore cannot be sent by the Baltic on account of the

ice. It is then sent overland to Ofoten, in Norway, within the Arctic Circle, and much farther north than the northernmost arm of the Baltic, and thence shipped to England.

A still more striking contrast exists in Russia. The shores of the Black and Baltic Seas are so obstructed by ice in winter that ice breakers have to be used to extend the open season. Archangel, on the White Sea outside the Arctic Circle, is closed by ice for eight months in the year. Yet Alexandrovsk, further within the Arctic Circle than the mouth of the White Sea, is always ice-free, and is to be converted into a port. It will, then, be the most northerly, and at the same time the only ice-free port, in Russia.

**Course in the Arctic.** Within the Arctic the warm water sinks beneath the colder waters of the Arctic, for the latter, on account of the fresh water brought by the great rivers, and the little evaporation, are comparatively fresh and, therefore, light, and so keep to the surface. Both to the north of Spitzbergen and also to the north of Franz Josef Land, this warmer water is found at a depth of from 100 to 490 fathoms.

**GUM.**—A name of wide application, including true gums, such as agar-agar (*qv*), various gum-resins, such as asafœtida (*qv*), and occasionally balsams of the type of gum benjamin (*qv*), though these contain no true gum at all. They are all of plant origin, and are mainly obtained by exudation. The first class is soluble in water, whereas the gum-resins are not. The chief imports come from West Africa and India. Gum is used for adhesive purposes and for dressing calico. It is also valuable medicinally. Artificial gums are manufactured from various starchy substances. British gum is also known as dextrine (*qv*).

**GUN COTTON.**—Also called pyroxylin. A powerful explosive, first prepared for practical purposes towards the middle of the nineteenth century. It is obtained from cotton waste, which is first freed from grease, picked, dried, and cut into lengths, and finally saturated in a mixture of sulphuric and nitric acids. Any excess of acid is washed off, and the gun-cotton is reduced to pulp, compressed hydraulically to one-third of its bulk, and moulded into the sizes and shapes required. Gun-cotton is much used in blasting operations, and as it is unaffected by moisture, it is largely employed in submarine mining and for charging torpedoes. The usual detonator employed is fulminate of mercury. Gun-cotton is superior to gunpowder on account of its smokeless combustion. It is an important constituent of cordite.

**GUNJAH.**—A preparation from the flowering tops of hemp, resembling bháng (*qv*) in its properties and effects. It is obtained from a small district in Bengal.

**GUN METAL.**—This is an alloy composed mainly of copper and tin, to which are sometimes added small quantities of lead and zinc. The most usual proportion of copper to tin is 90 to 10, but frequently this quantity of tin is exceeded, and may be as much as 18 per cent. Its casting requires extreme care. Formerly used almost exclusively for ordnance, it is now mainly employed in making castings for engineering purposes.

**GUNNY BAGS.**—Coarse, strong bags made of jute sacking, and used for picking wool, grain, seed, and salt. They are much in demand, and are largely exported from Bengal and other parts of India to the United States, Australia, and the Straits

"prescribed amount," i.e., the amount from time to time prescribed by the Home Office

Two or more descriptions of explosives are not (except in certain prescribed cases) to be kept in the same store or registered premises, and if any explosive other than gunpowder is allowed to be kept in the same store, magazine, or registered premises as a supply of gunpowder, the maximum total allowed to be kept there shall be the same as if the whole of the stock were gunpowder. The Act imposes with respect to the importation from abroad of either dynamite or gun-cotton, or any explosive (except gunpowder and gunpowder-cartridges, percussion caps, fireworks, and any prescribed explosive), provisions requiring any person importing them to have an "importation licence" from the Home Office, and forbids owners and masters of ships to deliver to anyone who does not possess such a licence. The Act gives power to the Crown, by Order in Council, either to forbid or to subject to restrictions, the manufacture of or dealing with any explosive of so dangerous a character that such order is expedient. In pursuance of the powers in this Section, Orders in Council have been made relating to fireworks containing sulphur or phosphorus mixed with chlorates.

The use of dangerous explosives in coal mines is regulated by Orders in Council made in pursuance of the Coal Mines Regulation Act, 1896.

It will be seen that fireworks are, in general, within the scope of the Act, but small firework factories are also subject to special provisions. Any person may apply to the local authority for a small firework factory licence, the application being made at the time and place appointed by the authority, and giving the name, address, and calling of the applicant and full particulars of his proposed factory. On being satisfied that the application accords with the Order in Council regulating small firework factories, the local authority are to grant the licence on payment of a fee not exceeding 5s. The licence is only valid for the person named in it, and as to its renewal, expiration, etc., is governed by similar provisions to store licences. A factory is not to be deemed a small firework factory for the purpose of the Act if there is upon the same factory, at the same time—

(a) More than 100 lbs of any explosive other than manufactured fireworks and coloured fires and stars, or

(b) More than 500 lbs of manufactured fireworks, either finished or partly finished, or

(c) More than 25 lbs of coloured fires or stars, not made up into manufactured fireworks.

(3) *Administration of the Act and Miscellaneous Matters.* The Act is administered centrally and locally. The Home Office is the authority for central administration, and has power to appoint inspectors under the Act, and determine their salaries and conditions of office. No person interested in the explosives trade or holding any patent connected with explosives may act as an inspector under the Act. The inspectors are given power to make such examinations and inquiry as may be necessary to ascertain whether the Act is complied with, and for that purpose an inspector may, at all times, by day and night, enter and inspect factories, magazines, and stores of explosives, and any premises registered under the Act, and require the occupier of any such premises to give him samples, and the occupier and his agents and servants are to furnish the means required by the inspector as necessary

for such entry, inspection, examination, and buying, very heavy penalties being imposed for obstructing an inspector. Inspectors not only have power to inspect as to compliance with the Act, but also to require the occupier to remedy anything in the premises, or any practice there carried on, which is unnecessarily dangerous or defective, so as to endanger the public safety or the safety of any person. The reasonableness of any such requisition may be decided by arbitration, and no person is to be precluded by any contract (e.g., a structural covenant in a lease) from complying with a requisition or an award in respect thereof. In addition to these powers of the Home Office, the Board of Trade may, by order, direct railway, canal, or merchant shipping inspectors to inquire into and supervise the observance of the Act. Notice of all accidents must be sent to the Home Office; and if any portion of the building is destroyed by such accident, it must not be reconstructed or any explosive stored therein without the permission of the Home Office. Provision is also made for Home Office representatives at inquests on the deaths of persons caused by the explosion of any explosive, or by any accident in connection with an explosive, and for inquiry into accidents and formal investigation in serious cases. The local administration of the Act is in the hands of the local authority, that is to say.

(a) In the City of London, the court of the Lord Mayor and aldermen

(b) In London, outside the City, the London County Council,

(c) In any non-metropolitan borough not assessed to the county rate (and in other cases by order of the Home Office), the mayor, aldermen, and burgesses,

(d) In any harbour, the harbour authority, to the exclusion of any other local authority; and

(e) In any other place, the justices in petty sessions.

Local authorities are to carry out all the powers previously mentioned as vested in them, and any officer authorised by them has a right to inspect premises on showing his authority.

The local authorities are also empowered by the Act to provide magazines, and harbour authorities and canal companies may provide carriages, ships, and boats for the conveyance, loading, and unloading of explosives.

Mention has already been made of the rights of entry and inspection possessed by inspectors, whether employed by Government or a local authority, but the Act also provides for general powers of entry and search (if necessary, by force) by Government inspectors and the officers and constables of local authorities, the latter being authorised by warrant.

Such officials have also power to seize goods which they consider liable to forfeiture, and to hold them pending decision of the point.

The penalties imposed by the Act are severe, and the court, if it considers that any offence, punishable by fine, was reasonably calculated to endanger the safety of the public or those employed, or to cause a dangerous accident, and was committed wilfully by the personal act, default, or negligence of the person accused, may inflict imprisonment for a period not exceeding six months, with or without hard labour. All offences under the Act may be prosecuted, penalties recovered, and forfeitures inflicted, either on indictment or before a court of summary jurisdiction.



**H.**—This letter occurs in the following abbreviations—

H M C, His Majesty's Customs  
H M S, His Majesty's Service, or Ship  
H O, Head office  
H P, Horse power  
H P N, Horse power nominal  
Hhd, Hoghead

**HABEAS CORPUS**—Latin "Bring up the body" A writ of *habeas corpus* in English law is one which directs a person who holds or detains the body of another to bring him up before the court, so that it may be seen whether the detention is legal or not. By this means, if there is any irregularity in the proceedings, a prisoner is either brought to speedy trial or released. It is not only applicable to criminal law, but also to certain civil matters, where parents are seeking to regain the custody of their children, husbands of their wives, etc.

The Habeas Corpus Act, 1679, has always been looked upon as one of the great bulwarks of English liberty, although, in fact, it did nothing more than extend one of the provisions of the Great Charter of 1215.

Any failure to obey the writ renders the person in default liable to severe penalties.

**HABERDASHERY**.—Various small wares, such as tapes, threads, buttons, fringes, etc. In statistics it is classified with embroidery and needlework. It is generally treated as a branch of the drapery trade.

**HÆMATITE**.—An important iron ore, so-called because it is blood-red when pulverised. It consists chiefly of peroxide of iron. A fibrous variety occurring in kidney-shaped masses is found in Cumberland and Lancashire. Another variety is known as specular iron ore, owing to the brightness of its surface and its consequent power of reflection. This also occurs in the North of England, but the best is found in Elba. Hæmatite is also obtained from North Europe, North America, and Brazil. It is much used in preparing the purest form of iron, and the demand for it has increased since the introduction of the Bessemer process for manufacturing steel. Hæmatite is used in burnishing jewellery, in stone cutting, and as a colouring substance. An impure variety acts as a substitute for sandpaper on match boxes.

**HAIR**.—A considerable import trade is done in human hair. The coarse variety obtained from China and India is worked up into bracelets, watch-guards, etc., while the finer qualities imported from Europe are used by the hairdresser and wig-maker. The fair hair is obtained from Norway, Sweden, and Germany, while the darker colours come from France and Italy.

**HAITI (or HAYTI)**.—Haiti, the second largest of the West Indian Islands, lies between Cuba and Puerto Rico, from which it is separated by the two most frequented channels leading into the Caribbean Sea, the Windward Passage, and the Mona Passage respectively. Politically, it is divided

between the French-speaking republic of Haiti in the west, and the larger though less densely peopled republic of San Domingo in the east, where Spanish is the prevailing language.

The island is traversed from east to west by several parallel ranges of mountains, and contains the highest point in the West Indies (Loma Tina, 10,300 ft). Between these ranges lie broad, fertile, and well-watered valleys. The climate is tropical, the dry season being from December to April, while the rainy season reaches its height in October.

**THE REPUBLIC OF HAITI**. The Republic of Haiti has an area of 10,200 square miles, and a population variously estimated at from 1,000,000 to 2,000,000.

The principal occupation is agriculture, the climate and soil allowing all tropical plants to grow well, but there is great mineral wealth which is only just being touched. Copper is actually worked to a small extent, and there are proposals for developing coal and iron ore. Gold, silver, antimony, tin, nickel, sulphur, kaolin, and gypsum are also known to exist in considerable quantities.

The principal crops are coffee, cocoa, cotton, sugar, tobacco, and hemp (pâte). The forests yield logwood, which forms one of the leading exports.

Tobacco and rum are manufactured for local consumption, but the other industries are unimportant.

**Commerce and Commercial Centres**. Most of the trade is with the United States, Britain, and France.

Coffee and cocoa are exported to France, logwood and pite to the United States. Other exports are cotton and cotton seed, lignum vitae, logwood root, timber, and copper. The principal imports are cottons, sacks, iron goods, and machinery, Britain supplying most of the cottons.

The capital, *Port-au-Prince*, on a fine harbour, has a population of 100,000. Other towns are *Cape Haïtien* (30,000), *Gonaïves* (13,000), *Les Cayes* (12,000), and *Port de Paix* (10,000).

There is only one railway working, and that has but little traffic.

**People, History, Language, and Government**. Originally a French colony, Haiti became a republic in 1804, the form of government, however, is generally that of a military dictatorship. Nine-tenths of the people are negroes, and the rest mulattoes, with the exception of about 200 Europeans.

The official language is French, but the bulk of the people use a debased form known as Creole French.

There is a regular weekly mail service to Haiti via Southampton. The time of transit is fifteen days.

**THE REPUBLIC OF SAN DOMINGO**. The Republic of San Domingo, occupying the eastern portion of the island of Haiti, has an area of 18,045 square miles, and a population of about 600,000 inhabitants.

As in Haiti, the principal industry is agriculture,



will be liable to be fined. Or the local authority may remove the obstruction or nuisance themselves and may charge the expenses to the owner or the occupier.

**HANSARD.**—The official record of the proceedings of the Houses of Parliament. It is a very full account of everything of importance which takes place, and the speeches of the different members are given at varying lengths, according to the importance of the positions occupied by them. The question of the length of the reports is arranged by special contract. The name is derived from Luke Hansard, who was born in 1752. He was a Norwich man who established a large printing business, and he published the journals of the Houses of Parliament from 1774 until his death in 1828. His name has now become indissolubly associated with the reports ever since his day.

**HANSE.**—The real meaning of the word is a league or confederacy. The name was applied in ancient times to certain commercial cities in the north of Europe which combined together for defence in the thirteenth century. The last three of these cities, known as Hanse towns, were Hamburg, Bremen, and Lubeck. Recently they have been incorporated in the German Empire.

**HARBOUR.**—A haven in which ships can anchor. A harbour is a place which is only partly enclosed, and is thus distinguished from a dock, which is wholly enclosed.

**HARBOUR DUES.**—Payments which have to be made by ships for entering certain harbours and using landing stages, etc.

**HARBOUR MASTER.**—The public officer who has control and charge of a harbour.

**HARD CASH.**—This is a term often applied to coins as distinguished from bank notes, which are sometimes spoken of as "soft money."

**HARDWARE.**—A comprehensive name for articles of brass, iron, copper, etc., especially ironmongery. The competition of Germany and the United States is severely affecting the English industry, of which the chief seats are Birmingham, Sheffield, and Wolverhampton.

**HARE.**—Though this rodent is common in Europe, the import trade of Great Britain is done with the United States and Canada, which send large numbers of skins annually.

**HARTSHORN.**—The shavings of the antlers of the red deer, from which numerous products are distilled. The most important is spirits of hartshorn, but the name now stands for a solution of ammonia.

**HASHISH.**—(See BHANG.)

**HATCHWAY.**—The opening in the deck of a ship which gives access to the hold.

**HATS.**—Straw, cloth, felt, or silk are the usual materials employed in the manufacture of hats, though other materials are used in millinery. The tall silk hat was introduced from France towards the middle of the nineteenth century. Several processes are involved in its manufacture. The body of stiffened calico or cork is first prepared on a block, covered with a kind of varnish, and ironed. The covering of plush is next added, the brims are shaped, and the article is lined, and finished with silk binding. Opera hats are made on a collapsible mechanical frame, and corded silk or merino replace the silk plush. Felt hats are manufactured principally in the neighbourhood of Manchester. The fur of rabbits and beavers is the material most frequently employed, but camels' hair and wool are

used for the finest and coarsest varieties respectively. Great Britain does a large export trade in hats, particularly in felt hats from Manchester and straw hats from Bedford. Canton and Tuscany also supply the straw variety, while Lyons and Metz provide the plush for silk hats. New York and Paris are other centres of the hat trade.

Panama hats are dealt with separately.

**HAULAGE.**—The exclusive charge made by railway, dock, and canal companies for the use of carriages and trucks, the use of a line of rails, or the drawing of loaded or empty trucks or wagons from one point to another. It does not cover the services of loading and discharging the trucks.

**HAVAS AGENCY.**—This is the great French news distributing organisation, its proper name being the Agence Havas. It was really established by Charles Havas in the early part of the nineteenth century, when Napoleon gave him authority to send despatches from the army to the newspapers which were then in existence in France. Its modern development dates from 1835. In 1879 the Agency was converted into a limited company with a capital of between 8,000,000 and 9,000,000 francs.

**HAVEN.**—An inlet of the sea, or the mouth of a river where a ship can obtain a good anchorage.

**HAWKERS.**—A hawker is generally defined as a person who travels with a horse or other beast of burden, and goes from place to place or to other men's houses carrying to sell, or exposing for sale, any goods, wares, or merchandise, or carrying or exposing samples of goods, wares, or merchandise to be afterwards delivered. But this definition now requires extension. It seems to include any person who travels in any fashion to a place in which he does not usually reside or carry on business, and there sells or exposes for sale any goods, wares, or merchandise at any house, shop, room, booth, stall, or other place hired or used by him for that purpose.

There are several nice points to be considered which have been raised at different times as to who is and who is not a hawker. Thus, if a man goes round with a horse and van to deliver goods in accordance with a previous contract of sale, he is not a hawker. And the same thing is true if he delivers goods in pursuance of a previous order to send goods on approval. But if he takes goods about to find customers for them he would not escape from his liability to take out a licence merely by calling upon certain specified customers and not generally upon members of the public.

By the Hawkers Act, 1888, a man is brought within its provisions if, for instance, he habitually travels about with a horse and cart carrying, *et c.*, a cask of oil, and calls at customers' houses in compliance with their request, and there delivers oil without having received previous orders for any specified quantities.

Hawkers may not hawk gunpowder, nor deal in spirits or other intoxicants, nor hawk tobacco or snuff. They cannot hawk petroleum, unless they are licensed petroleum sellers, nor postage stamps, unless they are servants of the Post Office; nor gold or silver plate, without an additional licence. These enactments are laid down by various Acts of Parliament.

A hawker is compelled to take out an excise licence, which costs £2 per annum. This licence is granted on the production of a certificate of fitness signed by a justice of the peace of the place where the hawker resides, or by certain other persons.

**HEAVY LOCOMOTIVES ON HIGHWAYS.**—"Locomotive" means a locomotive propelled by steam or by power other than animal. Under the Locomotive Act, 1861, it is unlawful for the owner or driver of any heavy locomotive to drive it over any suspension bridge, or over any bridge on which a conspicuous notice has been placed, by the authority or persons liable for the repair of the bridge, that the bridge is insufficient to carry weights beyond the ordinary traffic of the district, without previously obtaining consent. This provision does not apply to light locomotives or motor cars (*q v*). In the Locomotives Act of 1898 (Sec 6), there is a further power to prohibit, restrict, or regulate by by-laws the use of locomotives on any highway or bridge. All damage caused to bridges by locomotives must be made good by the owners of the locomotives. The weight of every locomotive, and the name and residence of the owner thereof, must be conspicuously and legibly affixed thereon, under a penalty of £2. If the user of a locomotive on a highway damages the road to such an extent as to cause a public nuisance, the owner may be restrained by injunction. Every locomotive on a highway must be worked according to the following rules and regulations, viz—

(1) Two persons must be employed in driving or attending to the locomotive.

(2) In the case of any locomotive not being a steam roller, another person must be employed to accompany the locomotive in such a manner as to be able to give assistance to any person with horses or carriages drawn by horses meeting or overtaking the locomotive, and must give assistance when required.

(3) When a locomotive is drawing more than three wagons, another person must be employed for the purpose of attending to the wagons, but it is not necessary in the case of two locomotive plough engines (including their necessary gear) closely following one another to employ more than five persons in all, but one of these persons must be employed to accompany the engines and give assistance in manner thereby required.

(4) So long as the fires of a locomotive are alight, or the locomotive contains in itself sufficient motive power to move it, one person must remain in attendance whilst it is on any highway, although it is stationary.

(5) The drivers must give as much space as possible for the passing of other traffic.

(6) The whistle of such locomotive must not be sounded for any purpose whatever, nor must the cylinder taps be opened within sight of any person riding, driving, leading, or in charge of a horse upon the road, nor must the steam be allowed to attain a pressure such as to exceed the limit fixed by the safety valve, so that no steam is blown off, when the locomotive is upon the road.

(7) Every such locomotive must be instantly stopped on the person preceding the same, or any other person with a horse or carriage, putting up his hand as a signal to require such locomotive to be stopped.

(8) Any person in charge of any such locomotive must provide two efficient lights to be affixed conspicuously, one at each side on the front of

(9) The lights required to be carried on a locomotive, whether stationary or passing on a highway, must be carried between the hours of sunset and one hour before sunrise during the six months beginning the first day of April

year, and between sunset and sunrise during the six months beginning the first day of October in any year, and there must be carried, in addition, during those hours, an efficient red light on the rear of the locomotive, or, if it is drawing wagons, on the rear of the last wagon, fixed in such a manner as to be conspicuous.

(10) Every light carried on a locomotive, or on a wagon drawn by a locomotive, must be fitted with such shutters or other contrivances as will enable the light to be temporarily screened in an effective manner.

(11) In the event of a non-compliance with any of the above provisions, the owner of the locomotive is, on summary conviction before two justices, liable to a penalty of £10.

Under Section 28 of the Highways and Locomotives Act, 1878, a locomotive not drawing any carriage, and not exceeding in weight 3 tons, must have the tyres of the wheels thereof not less than 3 in in width, with an additional inch for every ton or fraction of a ton above the first 3 tons. A locomotive drawing any wagon or carriage must have the tyres of the driving wheels thereof not less than 2 in in width for every ton in weight of the locomotive, unless the diameter of such wheels exceed 5 ft, when the width of the tyres may be reduced in the same proportion as the diameter of the wheels is increased, but in such case the width of the tyres must not be less than 14 in. A locomotive must not exceed 9 ft in width or 14 tons in weight, except under certain circumstances. The driving wheels of a locomotive must be cylindrical and smooth-soled, or shod with diagonal cross-bars of not less than 3 in in width nor more than three-quarters of an inch in thickness, extending the full breadth of the tyre, and the space intervening between each such cross-bar must not exceed 3 in. A local authority may give permission to any person owning a locomotive exceeding 9 ft in width or 14 tons in weight to use it on any highway within their district.

Section 4 of the Locomotive Act, 1861, provides that any wagon, wain, cart, or other carriage drawn or propelled by a locomotive, not having cylindrical wheels, must not carry any greater weight than is permitted in such wagon, cart, etc., by the General Turnpike Act, and any wagon, wain, cart, or other carriage having cylindrical wheels must not carry over or above the weight of the wagon, etc., any greater weight than 1½ tons for each pair of wheels, unless the felloes, tyres, or shoes are 4 in or more in breadth, nor carry a greater weight than 2 tons for each pair of wheels, unless the felloes, tyres, or shoes are 6 in or more in breadth, nor carry a greater weight than 3 tons for each pair of wheels, unless the felloes, tyres, or shoes are 8 in or more in breadth, and for every single wheel one-half of that permitted to be carried on a pair of wheels, nor in any case is it lawful to carry a greater weight than 4 tons on each pair of wheels, or 2 tons on each wheel. Wagons, etc., are built and constructed in such a manner that each axle, then they are allowed to carry, in addition to the weight, upon each pair

weights allowed to be carried in winter and Act, 1822 (3 Geo

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the damage is the consequence of any particular building contract or work extending over a long period, they must be commenced not later than six months after the completion of the contract or work.

Where an offence under any Act or by-law relating to locomotives on highways for which the owner of a locomotive or wagon is liable to a penalty, has, in fact, been committed by some servant, workman, or other person, that servant, etc. is liable to the same penalty as if he were the owner. Where the owner is charged with any offence, he is entitled, upon information duly laid by him, to have any other person whom he charges as the actual offender brought before the court at the time appointed for hearing the charge, and if the owner proves to the satisfaction of the court that he had used due diligence to enforce the law, and that the other person had committed the offence without the owner's knowledge, consent, or connivance, that other person shall be summarily convicted and the owner shall be exempt from any fine.

**HEAVY STOCK.**—The stock of those railways which have a heavy goods traffic.

**HECTARE.**—(See METRIC SYSTEM.)

**HEDGES, DITCHES, AND FENCES.**—Owing to the law as regards trespass, especially seeing that a man is responsible for the trespass of his own cattle, it is a matter of importance to know who is the owner, and upon whom falls the obligation of repairing hedges and fences, which form the dividing lines between adjacent properties. Generally, there is no difficulty as to settling the ownership, as the property in the hedge or the fence, as the case may be, resides in the owner of the soil upon which it stands. The case is not always so easy when a ditch is in question.

In country districts, as well as in urban districts, where there are two fields or gardens adjoining, and there is a separation by means of a hedge and a ditch, the ownership of the hedge is in that person in whose field the ditch is not. Also, the ownership of the ditch is, *prima facie*, in the person who is owner of the hedge. But if there are two ditches, one on each side of the hedge, or if there is no ditch at all, the ownership of the hedge must be proved by showing what rights have been exercised by the parties in the past. For example, if one owner has regularly pruned and kept the hedge in proper condition for, say, twenty years, he will be proved to have a prescriptive right to the hedge. And the same is true with regard to a fence, and there is no difference in the law as to the ownership of a ditch, whether there is a fence or a hedge.

It has been stated above that where there is no ditch, the ownership of the fence or hedge must be shown by independent evidence. But if it is exactly on the boundary line, the question of ownership, and, consequently, the responsibility for repair, is decided by proof of acts of ownership on the part of either of the adjoining occupiers of the land.

The statement of the conclusion of law as to the ownership of a ditch, noticed above, is somewhat curious at first sight. The rule is said to have arisen as follows. A man cannot interfere with land or commit a trespass upon it when he is not the owner. If, then, there is a ditch, it is presumed that the digger of the same was upon his own land and threw up the excavated earth upon his own field where the hedge was made. This is, of course, a legal presumption, but it is capable of being rebutted. After twenty years, however, a

prescriptive title is gained, and no question can then arise as to hedges and ditches which have been so long in existence.

It is always the occupier and not the owner who must repair a fence in the absence of any agreement to the contrary, and he is responsible for any damage which may arise through his negligence. It is not in every case that a badly kept fence will give rise to a right of action at law. The test seems to be this: Is the fence a nuisance? And even then the whole circumstances of the case must be carefully considered, especially if any injury that arises happens to infants.

A good illustration is supplied by the case of *Harold v. Watney*, 1898, 2 Q.B. 320, and the note on the same, thus given in *Shirley's Leading Cases*.

"The plaintiff, a boy of the age of four years, while passing along a highway, climbed upon a fence situate upon the defendant's adjoining field and separating it from the highway, for the purpose of looking at other boys at play on the further side of the fence, and not for the purpose of climbing over it. The fence, which was so defective as to constitute a nuisance, fell upon the plaintiff and injured him. In an action to recover damages for the injury, the Court of Appeal held that, as the plaintiff in climbing upon the fence was merely indulging the natural instinct of a boy of his age and doing an act which the defendant ought to have contemplated as likely to be done by children using the highway, the defendant was not entitled to avail himself of the defence that the injury was caused by the plaintiff's own act, and that the plaintiff was consequently entitled to recover."

**HEIR.**—The heir, or heir-at-law as he is often called, is the person who is entitled by law to succeed to the real estate of a deceased intestate. The eldest son and his descendants come first in order in considering who is the heir, and after him the second and the other sons in order and their descendants. So long as it is a question of male succession, there is but one person who can be heir, when there are no sons but only daughters, the daughters take as co-parceners, *sc.* they succeed equally.

The heir-apparent is the person who is certain to succeed to an estate in land if he survives the present owner.

The heir-presumptive is the person who would succeed to the estate if the present owner were to die at once, but whose chances of succession might be destroyed by the birth of some other person who would have a prior claim.

**HEIRLOOMS.**—Strictly speaking, these are the personal chattels which pass on the death of the owner to the heir and not to the personal representative of the deceased, whether executor or administrator. They cannot be bequeathed or devised by will. (See **FIXTURES**.)

**"HOLD OVER."**—This is an expression sometimes used in connection with cheques which are received by a banker after the daily exchange has been made. Such cheques are said to be "held over" to the following day. There is no holding over when a banker receives late in the day cheques drawn upon his own bank. They should be either paid or dishonoured on the day of receipt.

**HELLEBORE.**—Various species of plants of the order *Ranunculaceæ*. The roots (which are mainly imported from Marseilles and Hamburg) possess drastic purgative properties, and are sometimes employed in cases of dropsy, epilepsy, and mania.

1. That the hirer may at any time terminate the said hire by delivering up the said pianoforte to the owner.

2. That if the hirer shall punctually pay the full sum of £40 by instalments as hereinbefore provided viz. £1 on the day of the signing of this agreement and thirty-nine monthly instalments of £1 each on the 22nd day of each succeeding month (or if the said sum of £40 shall have been paid at a date prior to that upon which the last instalment shall fall due) the said pianoforte shall become the sole and absolute property of the hirer.

AND the owner and the hirer hereby mutually agree that unless and until the full sum of £40 is paid according to the terms hereinbefore set out the said pianoforte shall be and continue to be the sole property of the owner.

AS WITNESS the hands of the said parties the day and the year first above written.

(Signed) JOHN JONES

JAMES SMITH

WITNESS

THOMAS BROWN

39 Old Town Fields

Ipswich

Builder

(As to Stamp, see the article referred to)

said to belong to B. If, again, A wants to buy some goods for £500 and has no money to pay for them, and wishes to borrow the money from B, who refuses to lend except upon security, and thereupon an arrangement is made that B will buy and pay for the goods in his own name, and let them out on a hire-purchase agreement to A, the court would hold that the true nature of the transaction was a loan to A on the security of the goods included in the hire-purchase agreement, and the agreement to be valid would require registration as, and must be in the statutory form of, a bill of sale.

If a hire-purchase agreement does not contain a clause declaring that the goods belong to the original owner until payment of the final instalment, but gives the original owner power to seize and take possession of the goods on default in payment of any instalment, the document would be a bill of sale and require registration. In the absence of the above provision, the property in the goods would pass to the purchaser on delivery, and he would merely owe the instalments as they become due, and the licence to seize would be a licence to take possession of personal chattels as a security for a debt within the express words of Section 4 of the Bills of Sale Act, 1878.

It is very important also to have a clause in the hire-purchase agreement giving the hirer the option to determine the hiring at any moment, and providing that he is under no further liability to pay anything after the then current instalment. In the absence of a clause to this effect, the hirer would be regarded as a purchaser of the chattels, and he would also, by virtue of the Factors Acts, be able to give a good title, if he sold or pledged them, to a *bona fide* purchaser or pledgee, so that the original owner would not be able to recover them, and his sole remedy would be under the hire-purchase agreement against the hirer. The importance of this clause is very clearly shown by a comparison between the two leading cases on hire-purchase agreement, viz., *Lee v. Butler*, 1893, 2 Q.B. 318, and *Hellby v. Matthews*, 1895, A.C. 171.

When the hirer of goods becomes bankrupt, the question often arises whether they still belong to the original owner or can be claimed by the bankrupt's trustee. By the Bankruptcy Act the trustee is entitled to all goods which at the commencement of the bankruptcy are in the possession, order, or disposition of the bankrupt by the consent and permission of the true owner, under such circumstances that he is the reputed owner thereof. The goods above referred to are limited to goods for the purpose of or connected with the purposes of the bankrupt's trade or business. When, therefore, a trader becomes bankrupt and he has in his possession goods in the way of his trade bought under a hire purchase agreement, they become the property of the trustee in bankruptcy. There are, however, several well-known exceptions to this rule. Where there is a contract well known to a custom of letting out goods on hire, the time of regular ownership does not apply. Thus it is quite usual for a horse to be provided with harness on the hire purchase system, and if the proprietor be now bankrupt his trustee is not entitled to the harness for the creditors. It is also usual for a trader to let an agreement for the hire of a motor car, and the trustee of the bankrupt is not entitled to the car with the property of the vendor until payment of the last of the instalments of the purchase price. Similarly, in the case of a motor car, the trustee is not entitled to a

printer or a gas engine let out to a factory. Chattels let out on hire are liable to be seized under a distress by the landlord against the hirer; and the Law of Distress Amendment Act, 1908, though it protects to a large extent the goods of strangers, makes no alteration in the old law where the goods are hired by the tenant, but if they are hired by a person who is not the tenant of the premises distrained upon, they are now protected from seizure. Where the hirer has paid nearly all the instalments, and very little more has to be paid before he becomes the owner of the chattels, his beneficial interest under the hiring agreement may be of some value, and if an execution is levied against the hirer, the sheriff is at liberty to sell the interest of the hirer and give a good title to the purchaser, unless there is some express provision in the hire-purchase agreement which takes away this right. To safeguard the original owner, it is customary to insert a clause in the hire-purchase agreement, giving him power to seize and re-take possession of the goods let on hire in the event of execution or distress being levied against the hirer, or in the event of the hirer attempting to sell or dispose of the goods entrusted to him. But if the landlord distrains before the owner re-takes possession, the title of the landlord is superior to that of the true owner, provided that the hirer is distrained upon as the tenant of the landlord. If the hirer is not the tenant against whom the distress is being levied, the hired goods, though on the premises distrained upon, cannot be seized by the landlord. In the case of an execution against the hirer, the sheriff cannot sell the hired goods, for until the payment of the final instalment they belong to the original owner, but, as explained above, where the terms of the hiring agreement do not prevent it, he can sell the beneficial interest of the hirer in the hired goods, e.g., where ten out of twelve instalments have been paid, he can sell the goods subject to the liability of paying the two last instalments. If the hirer of goods, before he has paid the final instalment, purports to sell them, or employs an auctioneer to sell them, the original owner (provided the agreement stipulates that the goods remain the property of the original owner until payment of the final instalment, and that the hirer has the option of determining the hiring agreement at any time) is entitled to recover the value of the goods from the purchaser or auctioneer as damages for conversion, if they are not returned to him on demand. In the same way, if the goods are pledged, the true owner can obtain the value of them from the pledgee although the latter took them in good faith and without notice.

The owner of goods let out on hire may assign his interest in them, and after the assignee has given notice of the assignment to the hirer, the assignee can enforce from the hirer payment of the instalments as they become due, but it, as is usual, the hiring agreement contains a licence to seize the goods in default of punctual payment of the instalments, this licence to seize cannot be assigned. Sometimes the goods let out on hire, e.g., a gas engine or trade machinery, partake of the nature of fixtures and consequently become subject to the law applicable to fixtures. Fixtures are movable articles fixed to the ground or soil, or to a house or other building. It is usual for trade machinery, when let out on hire, to be attached to the building by bolts and bolts, or inserted into the ground, so as to make it more and more, with the result that it becomes what the law knows as a fixture, and if the

"(2) In particular, the title of a person who negotiates a bill is defective within the meaning of this Act, when he obtained the bill, or the acceptance thereof, by fraud, duress, or force and fear, or other unlawful means, or for an illegal consideration, or when he negotiates it in breach of faith, or under such circumstances as amount to a fraud

"(3) A holder (whether for value or not) who derives his title to a bill through a holder in due course, and who is not himself a party to any fraud or illegality affecting it, has all the rights of that holder in due course as regards the acceptor and all parties to the bill prior to that holder."

A payee does not come within the definition of a holder in due course (see s. 1, above), as the bill is not complete until it is indorsed by the payee.

Again, by Section 30—

"(1) Every party whose signature appears on a bill is *prima facie* deemed to have become a party thereto for value.

"(2) Every holder of a bill is *prima facie* deemed to be a holder in due course, but if in an action on a bill it is admitted or proved that the acceptance, issue, or subsequent negotiation of the bill is affected with fraud, duress, or force and fear, or illegality, the burden of proof is shifted, unless and until the holder proves that, subsequent to the alleged fraud or illegality, value has in good faith been given for the bill." The term "in good faith" used to cause great trouble, but now by the Act of 1882, the term has a statutory meaning, and it is thus defined in Section 90—

"A thing is deemed to be done in good faith, within the meaning of this Act, where it is, in fact, done honestly, whether it is done negligently or not."

Section 38 deals with the rights of a holder—

"The rights and powers of the holder of a bill are as follows—

"(1) He may sue on the bill in his own name

"(2) Where he is a holder in due course, he holds the bill free from any defect of title of prior parties, as well as from mere personal defences available to prior parties among themselves, and may enforce payment against all parties liable on the bill

"(3) Where his title is defective, (a) if he negotiates the bill to a holder in due course, that holder obtains a good and complete title to the bill, and (b) if he obtains payment of the bill the person who pays him in due course gets a valid discharge for the bill."

The position of the holder in due course is so important, that it has been considered necessary to give the Sections dealing with him in full. Put shortly, it may be stated to be as follows. A bill is in the hands of a party. It is quite regular on the face of it, and there is nothing to create the slightest suspicion of any land whatever. The holder transfers it for value. The transferee becomes the holder in due course. He cannot sue any person who is a party to it. He cannot be met by any such defences as no consideration, duress, fraud, etc. His title is complete, and the mere production of the bill is sufficient to establish his case if he has to take legal proceedings. And if he sues any of the intermediate parties, who may have indorsed the bill without receiving any value, there is no answer to his claim.

In one way, and one way only, can he be defeated. If the bill contains a forged or unauthorised signature, the holder in due course cannot claim at all through that signature. He may have his remedy against parties subsequent to the forged signature, but he has none against the person whose signature has been forged or against any person whose name appears prior thereto.

**HOLDING OUT.**—Holding out, in a general sense, consists in a person's pretending to occupy a position which is not his by right, and which tends to deceive the public by leading them to assume something which is not, strictly speaking, quite true. Any person who thus places himself in such an equivocal position may render himself liable for all the consequences which would follow if the assumed position was actually occupied by him. The term is most commonly met with in connection with partnerships, where a person who is not in reality a partner in a firm does something which entitles the outside world to assume that he is not altogether independent of it. The liability of a person thus "holding out" is stated in section 14 of the Partnership Act, 1890—

"(1) Every one who by words spoken or written, or by conduct represents himself, or who knowingly suffers himself to be represented, as a partner in a particular firm, is liable as a partner to any one who has on the faith of any such representation given credit to the firm, whether the representation has or has not been made or communicated to the person so giving credit by or with the knowledge of the apparent partner making the representation or suffering it to be made.

"(2) Provided that where after a partner's death the partnership business is continued in the old firm's name, the continued use of that name or of the deceased partner's name as part thereof shall not of itself make his executors or administrators, estate or effects, liable for any partnership debts contracted after his death." (See NOMINAL PARTNER)

**HOLIDAYS.**—(See BANK HOLIDAYS)

**HOLLAND.**—Position, Area, and Population.

Holland, or the Netherlands, lies to the west of Germany, and to the north of Belgium, with the North Sea on its western and northern sides, between latitude 3° 25' east and 7° 12' east, and latitude 50° 45' north and 55° 32' north. Area, 12,728 square miles (Yorkshire equals 6,047 square miles). Population, 5,945,155.

The southernmost point on the coast is due east of Ramsgate, the northernmost of the Frisian Islands is due east of Grimsby, while the mouth of the Zuyder Zee is opposite the entrance to the Wash. Much of the country is really the delta of the Rhine, Maas (Meuse), and Scheldt, and it is to its position at the mouth of these rivers and the consequent ease of communication with the large population living in western Europe, on the one hand, and of the presence of the sea on the other, that Holland owes its importance. The history of the country emphasises this fact. When at the end of the fifteenth century the Portuguese discovered the sea route to India via the Cape of Good Hope, they felt assured of the monopoly of the trade between India and Europe by that route. Owing, however, to the inconvenient position of Lisbon for north-western and central Europe, much traffic went via Holland with such profit to the



**Sarstoon** in the south. It has an area of 7,562 square miles and a population of less than 40,000. The Belize river, at the mouth of which stands Belize, the capital, divides the country into a low northern and a hilly southern part. The forests, which cover the greater part of the country, supply mahogany and logwood that form the bulk of the exports. Bananas are also grown for the United States, while cattle are reared in the more hilly and less densely wooded regions.

**Belize** (16,000), the only port, has no harbour. The whole coast is low and fringed with small islands, so that all cargoes have to be lightered for several miles.

Mails are despatched every Wednesday. The time of transit is about seventeen days.

For map, see CENTRAL AMERICA, p. 304.

**HONEY.**—The sweet, syrupy liquid collected from flowers by bees and deposited by them in the combs of their hives. Honey consists mainly of glucose, cane-sugar, gummy matter, and water. It varies in quality according to the flowers from which it is procured, the age of the hives, the method of extraction, and the season of the year. The best is of a very pale yellow colour, which deepens with age. Scotland produces excellent honey and so do Chamounix and Narbonne, but the largest import trade is done with California. Mead, the fermented liquor obtained from honey, is a favourite beverage in North Europe.

**HONG.**—This is the name which is given by the Chinese to any factory belonging to European merchants in Canton. The Hong merchants were, previous to the wars with England, ten or twelve natives, who alone were legally entitled to trade with foreigners, who were known as the "outer barbarians."

**HONG-KONG.**—Hong-Kong lies off the south-east of China, about 90 miles from Canton (22° N and 114° E). It is a long, narrow island of about 29 square miles, separated from the mainland by a channel half a mile wide, which forms a magnificent harbour covering an area of 10 square miles, and came into the possession of the British in 1841. Kowloon, a small peninsula opposite, was added in 1861, and in 1898 the large peninsula to the north, with an area of 376 miles and a population of 100,000 was leased from China for ninety-nine years, for defensive purposes. The population of the island is about 300,000, most of whom are Chinese.

The climate is tropical, but the mean monthly temperatures vary from 40° to 90° F.

**Victoria**, the capital, lies along the north shore of the island. It has large docks for the repair of naval and mercantile ships. The amount of shipping cleared annually, inclusive of Chinese junks, is over 14,000,000 tons.

Hong-Kong owes its importance to its convenient position for *entrepôt* trade between China and the West, cotton goods and other European manufactures, with opium, being the chief imports, and tea, silk, and hemp the chief exports. It is an absolutely free port, with no Custom House, so that no official trade returns are published. Half the trade is with Britain. It is a military station, the headquarters of the British Fleet in Chinese waters; and is strongly fortified.

Mails are despatched weekly to Hong-Kong, Brindisi or Marseilles. The time of transit is twenty-nine days.

For map, see CHINA, p. 332.

**HONORARY.**—An office or position is said to be

honorary when there is no fee or salary attached to it. The payment made to a barrister—and the same was formerly true as to a physician—since he is supposed to give his services and cannot sue for his fees, is called an "honorarium."

**HONOUR.**—In commercial circles this word signifies the meeting of some claim or obligation at the appointed time, e.g., the acceptance or the payment of a bill of exchange when it becomes due.

**HOP.**—The *Humulus lupulus*, a plant with a twining stem, allied to the hemp and the nettle. Its bitter, aromatic principle is a golden yellow substance known as lupuline. The catkins containing it are used for brewing, the beer depending for its characteristic flavour on the lupuline. Kent, Sussex, Worcester, and Hereford are the chief centres of hop cultivation in England, but the home supply is supplemented by imports from the Continent and from America. Hops are useful medicinally for their narcotic properties.

**HORNBEAM.**—A deciduous tree, the *Carpinus betulus*, valued for its white, tough wood, which is used for agricultural implements, cogs of mill-wheels, etc. Good charcoal is also obtained from it.

**HORNS.**—The hard excrescences, pointed but unbranched, which grow on the frontal bones of oxen, sheep, and goats. Horn is used in a variety of ways, cups, knife-handles, umbrella-handles, and ornaments being some of the chief articles manufactured from it. Great Britain's supplies come from India, South America, and South Africa. Care should be taken not to confuse horns with the antlers (*qv*) of deer.

**HORSE-FLESH, SALE OF.**—An Act was passed in 1889 to regulate the sale of horse-flesh for human food. Horse-flesh may only be sold for human food in a shop, stall, or place, upon which there must be, at all times painted, words indicating that horse-flesh is sold there. The words must be plainly written in letters at least 4 in. long, the words must be conspicuous, both by night and day, during the times that the flesh is exposed for sale. No seller of horse-flesh must sell horse-flesh to a customer who is asking for some other kind of flesh, or for a compound article not usually made of horse-flesh. For instance, if a customer asked for a pound of beef sausages, and the seller supplied sausages compounded with horse-flesh, the seller would be disobeying the Act and would be liable to punishment.

The following persons may inspect the premises of a horse-flesh seller, or any other seller of meat, at all reasonable times: The medical officer of health, the inspector of nuisances, or other duly appointed officer of a local authority. They may inspect and examine any meat which they believe to be horse-flesh and intended for human food, and if such horse-flesh is found upon the premises of any person who has no notice over the door or shop, as the Act directs, then the officers may seize such horse-flesh and carry it away, and make a complaint upon oath to a justice of the peace. Any justice of the peace may grant a warrant to any of the officers named above to enter any building, or part of a building, in which the officer has reason to believe that horse-flesh intended for sale as human food is kept concealed. The warrant authorises the officer to make a search, and to seize and carry away any meat that appears to be horse-flesh, and that is intended to be sold for human food, in any place where no notice, in plainly written letters at least 4 in. long, is put up as described above.



park, and was sold by the "pinner" in market overt to the plaintiff Moran. The defendant Pitt took possession of it, alleging it had been stolen. Moran was held not entitled to sue Pitt for damages or recovery, as he could not prove the formalities had been observed (*Moran v Pitt*, 42 L J Q B 47).

It will, of course, be understood that the buyer can only claim the protection of the law as to market overt, even though the formalities above described have all been strictly observed, if he has bought the horse in good faith and without fair reason for believing that it was stolen.

**2 Private Sale.** The law is the same for the sale of horses as for the sale of other goods, and thus the Statute of Frauds applies, and especially by the Sale of Goods Act, 1893 (56 and 57 Vict c 71), the law applicable to the sale of all goods covers the sale of horses. A clause in this Act provides that as regards market overt, the rules for the sale of horses under the statutes before-mentioned shall not be affected. The result, therefore, is that as these rules, by their added strictness, largely take the sale of horses out of the general law of market overt, the law of the sale of horses becomes mostly the law laid down for other goods by the Sale of Goods Act, 1893 (See SALE OF GOODS).

**3 Warranty.** When a warranty is given as to a horse, the effect of it is that the buyer has the right to sue for any damages caused by the horse not being according to warranty, not to treat the transaction as no contract. A warranty rarely ought to be given, as questions of soundness or unsoundness or of vice, that is, bad habits, are exceedingly liable to lead to litigation. If the purchaser insists, it can only be worth the risk in the case of a valuable horse, which would fetch much more with a warranty, and a veterinary surgeon should be employed. Even then, the terms "sound" or "unsound" are so disputable, that the surgeon's certificate would best take the form of a description of the condition of the horse, thus leaving the purchaser to judge for himself on a skilled statement of the facts. And the purchaser gets no warranty except the implied warranty of title, in the Sale of Goods Act, that the seller has the right to sell. No warranty as to quality or fitness for any particular purpose goes with the sale of a horse, unless something has taken place between seller and buyer from which this can be inferred for instance, if the buyer asked for a horse to carry a lady or to drive in a carriage, and the horse was vicious or had never been in harness. The purchaser must otherwise have an express warranty if he would protect himself against hidden defects by suing the seller for damages.

A warranty need not be in any particular form of words, and it may be either oral or in writing. If the seller represents that the horse is sound, or fit for a particular purpose, or is quiet or free from vice, and so on, he has given a warranty on those points. But there must be a definite undertaking, not the mere expression of an expectation or estimate. The warranty may be qualified so as not to be completely general, e.g. the buyer may say "I never warrant, but the horse is sound to the best of my knowledge." In a case where these words were used, the purchaser was held entitled to damages on the warranty, when he proved that the seller knew of an unsoundness. Where the warranty is quite general, it would be indifferent whether the seller knew or did not know of any defects. A general warranty, however, would

not cover such patent defects as the loss of an eye or lack of the tail, but blindness or defect of vision would not be such a case, as it may not by any means be patent.

On breach of warranty, as this does not dissolve the contract, the buyer cannot return the horse except on the ground of fraud. He must abide by his bargain, and either claim on being sued for reduction of price, or himself sue on the warranty for damages. If, however, the horse has been supplied for a particular purpose, the buyer is entitled to keep it long enough to try it for that purpose, and if it does not answer he must return it without delay, and he must not do anything which implies acting as owner of it.

A number of cases have decided what may be done generally if there is a breach of warranty. The buyer may offer to return the horse to the seller. He should do this as soon as the breach is discovered, and thus entitle himself to be paid for its keep. If the seller agrees, the contract is at an end. On refusal, the horse should be sold promptly by public auction. To avoid dispute as far as possible, the buyer who does not offer the horse back should at once give notice to the seller of the breach.

To set out all the various complaints, diseases, defects (whether of structure, temper, or habit), which constitute unsoundness or vice, would be to write a treatise on the horse. It is not necessary that, whatever the disorder may be, it should be permanent and incurable. The general rule for unsoundness has been laid down to be as follows: If, at the time of sale, the horse has any disease which either actually does diminish the natural usefulness of the animal, so as to make it less capable of work of any description; or which, in its ordinary progress will diminish the natural usefulness of the animal, or if the horse has, either from disease or accident, undergone any alteration of structure that either does at the time, or in its ordinary effects will diminish the natural usefulness of the horse, such horse is unsound (*Kiddell v Burnard*, 1842, 9 Mee and W. 668).

This test of natural usefulness is applied to the case of vice or bad habit. It must show itself in the horse's temper, or be so injurious to its health as to impair its usefulness.

**The Hiring of Horses.** (1) *The Lender.* The lender warrants a horse hired for a particular journey to be fit and competent for it. He is responsible for defects in the horse which make it unsuitable to lend to any particular person for a particular purpose, if through its unsuitableness the person borrowing is injured. He must not conceal defects, such as being vicious and unmanageable, to a person not aware of them, and which will make the horse dangerous to a person who does not expect to have to use more than ordinary care and skill. The lender cannot require more of the borrower than ordinary care and skill. Unless there is some understanding between lender and borrower, the lender lends the horse only to be used by the borrower himself and not by anyone else, as, for example, the borrower's servant. If the borrower allows any other person than himself to use it, he is liable to the lender for any accident that may happen to it. Such an understanding would arise if the lender lent the horse to be tried, intending to sell it to the hirer. If the lender sends out a servant of his own with the horse or with horse and carriage, he takes the responsibility on himself. This applies, too, where third persons are injured, and the lender

answerable for the trespass that they may commit in so doing, unless he distinctly desires them not to go on those lands, and if (as in the present case) he does not so desire them, he is answerable in point of law for the damage that they do."

By the Game Act, 1831 (see title *GAME*), however, it is enacted that its provisions as to trespassers and persons found on any land shall not extend to any person hunting or coursing upon any lands with hounds or greyhounds, and being in fresh pursuit of any deer, hare, or fox already started upon any other land. The effect of this is not to take away the common law right of bringing an action of trespass as above described, but only to prevent summary proceedings before magistrates against the trespassers, such as the Act provides against poachers and trespassers in pursuit of game.

There is no property in any of the animals that are hunted, whether mere vermin or edible animals, until they are killed, then questions of property arise. Thus: "If A start a hare in the ground of B and hunt and kill it there, the property continues all the while in B, but if A start the hare in the ground of B and hunt it into the ground of C and kill it there, the property is in A the hunter, but A is liable to an action of trespass for hunting in the grounds as well of B, as of C."

This example, given by Chief Justice Holt in a case in 1690, may be stated in a general way. The owner of the soil, by virtue of his ownership, is entitled to everything that is found there and killed on his property, whether killed by his leave or by a trespasser. But if the hunter does not kill the animal where he started it, but on another owner's ground, he is himself entitled to it as against both competing landowners, and it is said to become the hunter's property by right of his labour and trouble in catching or killing it. Thus in *Churchward v. Studdy*, in 1811 (14 East 219), a pack of harriers hunted and caught a hare on the defendant's land, which had been started on the land of another. The defendant took away the hare. It was decided that the master of the harriers had acquired the property in it.

Lords of manors have, under Enclosure Acts, their rights of hunting, shooting, etc., reserved, so that they have the right of hunting to the exclusion of the owners of the allotments, and even if the latter have enjoyed it concurrently for a period of twenty years, this does not deprive the lord of his exclusive rights.

Usually, it is necessary for persons intending to kill game to take out an annual game certificate (see *GAME*), but any person may pursue and kill, or join in the pursuit and killing of, any hare by coursing with greyhounds or by hunting with beagles or other hounds, without having such a certificate. Nor is an annual game licence required for pursuing and killing deer by hunting with hounds.

**HUSBAND AND WIFE.**—In the present article it is intended to deal with the general law as affecting husband and wife, in so far as the law has relation to matters connected with commercial and general transactions. Such matters as divorce, judicial separation, and cognate affairs will only be referred to incidentally.

The relationship of husband and wife is considered in law as a contract, and in most respects the ordinary law applicable to contracts attaches to the state of marriage. It is necessary to recollect,

however, that marriage is also considered to be a status, and for the purpose of defining it more accurately it may be described as "the voluntary union of one man and one woman to the exclusion of all others." Consequently, no marriage in the English sense can be celebrated between parties, unless each of them is a member of a country which recognises monogamy. If this is so, it is immaterial what is the religious belief of either person.

Although, however, marriage is a species of contract, it stands in an exceptional position in more than one important aspect. In the first place, the contract is entered into for life. An ordinary contract is always capable of rescission by the mutual consent of the parties, a marriage cannot be dissolved except by the sanction of the State. In the second place, whereas an infant is not capable of entering into a contract in a general sense (see *INFANT*), a marriage is quite legal in England, if it is duly solemnised, provided the husband is over fourteen years of age and the wife over the age of twelve. These ages are what are known as the ages of consent of the parties themselves, and there is now no necessity to obtain the assent of parents or guardians to constitute a valid marriage. If the marriage actually takes place, it is quite legal. But if it is intended that the marriage ceremony shall take place after the publication of banns of marriage, a parent or a guardian may forbid the banns, and if an objection is taken the publication is illegal, and the marriage, even though solemnised, will be void, provided the parties act wilfully and knowingly with the intention of evading the law. When a marriage is proposed to take place after the publication of banns between two persons who are apparently minors, and neither of them is a widower or a widow, the clergyman who officiates at the marriage should always inquire as to whether the consent of the parents or guardians has been obtained. There is no compulsion placed upon him to adopt this course. But if he does actually perform the ceremony after an objection has been made, he is liable to prosecution for a criminal offence.

It is assumed, naturally, that the domicile of the parties is English. Unless this is so in fact, the statements in this article would require revision, for it must never be forgotten that in connection with marriage it is the law of the domicile which must always prevail (See *DOMICIL, INTERNATIONAL LAW*).

Upon the marriage, the wife acquires both the nationality and the domicile of her husband. If a husband makes a change in his nationality or his domicile, the wife changes hers automatically. When it becomes a question of a matrimonial cause, this is a matter of the utmost importance. The English court which deals with matrimonial matters will not entertain any suit for divorce in England unless the parties are domiciled in this country. The husband can, therefore, under the existing law (but this will probably be considerably altered in the immediate future) prevent his wife from obtaining a complete release from him by changing his domicile. But if there is a suit simply for judicial separation, residence on the part of the wife is sufficient to give the court full jurisdiction.

No persons may marry who are within the prohibited degrees of affinity as set out in the Book of Common Prayer. The most common instance of the ceremony of marriage taking place between persons who were within the prohibited degrees was

similar powers of contracting as his agent to his wife if he pays bills which she has incurred. This will act as an estoppel (*q v*), and the husband will not be able to repudiate his liability. The strength of this is shown in the case of a woman who is living with a man to whom she is not married, if she does, in fact, reside with him under such circumstances as to lead people to believe that she is his wife. If the woman regularly contracts debts and the man regularly pays the bills, she will be presumed to have his authority to contract as his agent in the same way as a wife would. The only method by which a husband can terminate this kind of liability is by forbidding his wife to pledge his credit any longer, and also by informing the tradesmen with whom she has previously dealt that she has no authority to do so. Express notice of revocation should be given, though it is unnecessary in the case of tradesmen with whom there have been no previous business relations. As is well known, advertisements are sometimes inserted in newspapers by which a husband purports to forbid his wife to pledge his credit. But these advertisements are of no value unless it is proved that they have actually come to the notice of the tradesmen with whom there have been dealings. Of course, if credit is actually given to the wife, there is no question of agency at all. The wife is the principal, and the husband is in no wise responsible. The liability of a husband for the debts contracted by his wife in respect of household matters has been frequently litigated, and in a well-known case—*Morel v Earl of Westmorland*, 1904, App Cas 11—it is stated: "The fact that husband and wife live together and that necessities are supplied on the orders of the wife is not evidence that the husband and wife are jointly liable. The presumption that the wife has in such a case authority to pledge the husband's credit may be rebutted by proof that he made her an allowance and forbade her to pledge his credit, though this arrangement is not known to those who supply the necessities."

There is no presumption in law that the husband has ever any right to pledge his wife's credit, no matter how wealthy she may be, and how slight may be his means. There is no agency on the part of the husband except by express authority.

The agency of the wife, as above noticed, has been dealt with on the assumption that the parties are living together. If a separation has taken place, the authority of the wife is much limited, or it may not exist at all. Thus, if a wife deserts her husband, being herself in fault, and refuses to return to him, even though he has not been guilty of cruelty or unfaithfulness, she has no claim upon him for anything. But if he has deserted her, or forced her to leave him by reason of his own bad conduct, she has, in addition to such remedies as divorce or judicial separation, a right to pledge his credit for necessities supplied to her by tradesmen. The amount of these necessities will depend upon the circumstances of the husband. This right, however, only applies after desertion where the husband does not make his wife any allowance, or, having agreed to make her an allowance fails to pay her such allowance. And a husband cannot be compelled to allow anything for the support of his wife, however innocent may have been her departure, if she afterwards lapses into adultery.

If a husband is sued in any case, whether he is or is not liable in law, he must always take care to

defend the action. If he allows judgment to go by default, he may have great difficulty in avoiding payment.

So much for questions of contract in which the husband and wife are interested more or less jointly. In other respects, modern legislation has made great changes in favour of a married woman in respect of contracts, but in tort (*q v*) the liability of the husband remains the same as it always was at common law. Thus, if a wife is guilty of negligence by which a third party is injured, or if she publishes a libel or a slander, the husband, however innocent, can be sued for the same, either alone or jointly with his wife, and he will be answerable for any damages awarded in respect of the tort. This, however, will not apply if the wife has obtained a decree of judicial separation. She is then solely liable for her own torts. In criminal law, if the husband and wife are jointly indicted, it is generally presumed that the wife has been acting under the coercion of her husband. She cannot then be proceeded against. This doctrine does not apply to the most serious offences, *e g*, murder, but it does protect her still in a large number of crimes which are of a grave character, such as larceny, forgery, etc. There is no immunity, of course, where the wife acts upon her own responsibility.

Before the passing of the various Married Women's Property Acts, the personal property of a wife became the absolute property of her husband immediately after the marriage of the parties, and he was also entitled to the rents arising out of her real property during his life. After her death he had also an interest in her real property, which is set out in the article on CURTESY. But these rights were always unenforceable if there were any settlements in existence which nullified or limited them. With a few unimportant exceptions, the law on this subject has been entirely changed as regards those persons who have married since 1882. The wife is now complete mistress of her own property, subject, of course, to any settlements that have been made in respect of it. She has also full control over any earnings of her own obtained through her own skill or employment. Presents given to her become her absolute property, especially those given on the occasion of her marriage. Since the unity of husband and wife as to contracts has disappeared, a woman can enter into a contract with her husband in the same manner as she is able to do with any other person. Thus, she can lend him money and sue for its return if it is not paid. But in one instance she will be postponed to other creditors of her husband. This arises when the money is advanced to assist him in a partnership business. Should bankruptcy ensue, the wife cannot come in as a creditor until the other creditors have been paid in full.

It has been stated above that a gift is, by English law, irrevocable. If, therefore, a wife receives gifts from her husband, these become her separate property, though they may be impugned on the ground of fraud if made shortly before the husband's bankruptcy, especially if they are of an extravagant nature. (See BANKRUPTCY.) But it has been decided that if a husband makes allowances to his wife for housekeeping expenses, and no special arrangements have been made, whatever savings she effects out of the amounts allowed are not her property, but the property of her husband. This was finally decided so recently

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I.—This letter is used in the following abbreviations—

I/I,	Indorsement irregular
Ib, Ibid,	In the same place (Latin, <i>ibidem</i> )
Id,	The same (Latin, <i>idem</i> )
Ins,	Insurance
Inst,	Instant, of the present month
Int,	Interest
Inv,	Invoice
Irr,	Irredeemable

**ICE.**—Great Britain's supplies of natural ice are principally obtained from Norway, but a large quantity of ice is produced artificially through the abstraction of heat from water by the vaporisation of liquid ammonia or ether. The demand depends largely, of course, on climatic conditions, but a continuous supply is required for purposes of cold storage, especially in the case of ships bringing meat and other perishable provisions from abroad.

**ICELAND.**—(See DENMARK, page 510)

**ICELAND MOSS.**—A lichen found in northern latitudes generally. It contains a large percentage of starchy matter, and, therefore, forms a nutritive food, especially for invalids, the naturally bitter taste being first removed by steeping in water. It is used medicinally in diseases of the lungs, and is also the source of an alcoholic drink.

**ICELAND SPAR.**—A variety of calc spar or calcite, which is now very rare. Its value lies in its transparency and its double refraction, which render it almost unique for the construction of polarising instruments. Its chemical symbol is  $\text{CaCO}_3$ .

**IGNATIUS BEANS.**—The bitter seeds of the *Strychnos Ignatii*, a native of the Philippine Islands. They have some medicinal value, especially in cases of cholera. Their active principle is strychnine.

**IMMEDIATE ANNUITY.**—This is an annuity which is payable, as to the first instalment, six months after the purchase thereof, and terminates at the death of the annuitant.

**IMMEDIATE PARTIES.**—(See BILL OF EXCHANGE, PARTIES TO BILL OF EXCHANGE)

**IMMIGRATION.**—(See ALIENS)

**IMMORTELES.**—(See EVEPLASTING FLOWERS.)

**IMPERIAL.**—(See FOREIGN MONIES—RUSSIA)

**IMPERIAL STANDARDS.**—The statutory standards which regulate the coinage and the weights and measures of the country. (See COINAGE, WEIGHTS AND MEASURES)

**IMPERSONAL ACCOUNTS.**—These are accounts in book-keeping which deal with things and not with persons, such as charges accounts, cash accounts, goods accounts, etc. Another name for them is nominal accounts.

**IMPLIED WARRANTIES.**—For a general treatment of warranties see articles on CONTRACT, SALE OF GOODS, and WARRANTIES AND CONDITIONS. The trader must bear in mind the meaning of the word warranty, and the distinctions between a warranty and a condition, and between a warranty

and a false representation and a guarantee. A warranty is generally made expressly between the parties to the contract to which the warranty is alleged to be collateral, but in some transactions, certain well-defined warranties are implied by law, e.g., on the sale of goods, in agency transactions, where the agent impliedly warrants that he has authority to bind his principal (see AGENCY); in connection with articles of food, when a warranty is implied by the seller that the viands are fit for the food of man, in contracts concerning land, which, however, are somewhat beyond the scope of this work, and on the negotiation by delivery, and for value, of bills of exchange, promissory notes, and other negotiable instruments. In this case a transferor is deemed to warrant three distinct things to the person to whom he delivers the instrument: (1) That the instrument is what it purports to be, (2) that he has a right to transfer it; and (3) that he does not know of any fact which renders the instrument valueless. (See, as to these, BILLS OF EXCHANGE, etc.)

**Sale of Goods.** On a contract for the sale of goods a warranty is implied by virtue of the Sale of Goods Act, 1893, but only where the circumstances of the contract are such as not to show that the parties had a different intention. (1) That the buyer shall have and enjoy quiet possession of the goods. This, however, only extends to a freedom from interference by anyone claiming the goods under a title derived from the seller. A seller cannot, of course, prevent some person over whom he has no control asserting a claim to the goods or doing something to disturb the buyer in his enjoyment or possession of them. If the seller had no right to sell, then the buyer's remedy is for a breach of the implied condition as to title (see WARRANTIES AND CONDITIONS), which enables him to rescind the contract. It may well be, too, that the circumstances of the sale prevent the implication of such a warranty. For example, where goods are bought at a sale by a sheriff under a writ of execution, the sheriff gives no warranty, and if it turns out that he sold improperly, the buyer may find his right to hold the property upset by a claim from the true owner. The circumstances import a representation that the goods are not the sheriff's, and, therefore, cannot support an implication that the sheriff warrants the title of a purchaser. A similar state of affairs may exist when an article is bought from a person known to have been the finder of it. Here, the sale, unless in market overt (*q.v.*), must be subject to the rights of the true owner and loser of the article, if ever he comes forward to claim it. The seller does not warrant the title, and the utmost extent of his implied warranty for quiet possession will be that he will not himself do anything to affect the purchaser's enjoyment of the article.

(2) That the goods shall be free from any charge or incumbrance in favour of any third party, which is not declared or known to the buyer before or at the time when the contract is made.

Imports in	1908	1909.	1910
	£	£	£
Fruit, including Apples, Apricots, Peaches, Bananas, Cherries, Currants, Gooseberries, Grapes, Lemons, Nuts, Oranges, Pears, Plums, Strawberries, etc	10,369,643	10,557,849	10,397,227
Lard and Imitation Lard	4,714,110	5,296,935	5,123,518
Margarine	2,081,245	2,243,737	2,935,244
Refined Oils	1,070,029	1,160,540	2,197,397
Spices	591,815	714,988	682,161
Onions	993,669	1,213,518	1,042,674
Potatoes	1,967,216	1,407,875	1,201,611
Tomatoes	955,985	954,400	992,082
Yeast	373,147	381,545	394,121
Grand Total of Food and Drink, as enumerated above	68,576,894	67,848,986	72,254,717
Tobacco, unmanufactured, Tobacco, manufactured, including Cigars, Cigarettes, and Snuff	5,167,153	4,986,663	4,624,686
Food and Drink, including Chicory, Raw Cocoa, Cocoa and Chocolate, ground, prepared, or manufactured, Coffee, including roasted or ground, Dried Fruit, Currants, and Raisins, Milk, condensed, sweetened, Sugar, refined and unrefined, Sugar Candy, Molasses, Glucose, Saccharin, Jams, Confectionery, Preserved Fruits, Tea, Spirits, Wines in bottles and casks	48,208,374	50,752,885	54,731,583
Grand Total of Food, Drink, and Tobacco	244,134,089	254,319,383	257,788,416
<i>Raw Materials and Articles mainly unmanufactured—</i>			
Coal, Coke, and Manufactured Fuel, Iron Ore, Scrap Iron, and Steel	4,974,723	5,076,131	6,261,272
Copper Ore, Pyrites of Iron and Copper, Silver Ore, Tin Ore	8,901,105	8,327,193	8,973,522
Wood and Timber, hewn, sawn or split, planed or dressed, Staves of all dimensions, Mahogany, etc	24,306,169	23,591,579	26,198,854
Cotton, Raw	55,834,883	60,295,049	71,716,808
Wool, sheeps' or lambs', Alpaca, Vicuna, and Llama, Camels' Hair, Mohair, Wool Waste, Woollen Rags	30,746,990	35,041,766	37,362,789
Other Textile Materials, including Coir Fibre, Flax, Hemp, Jute, Silk, etc	13,698,178	12,127,707	12,802,002
Oil Seeds, Nuts, Oils, Fats, and Gums	28,514,967	31,039,883	37,587,030
Hides and Undressed Skins	9,422,965	11,617,756	12,881,066
Paper-making Materials	4,610,997	4,499,281	4,973,444
Miscellaneous, including Bristles, Caoutchouc, Ornamental Feathers, Fresh Flowers, Gutta-percha, Goats' Hair, Animal Ivory, Manures, Brushmaking Fibres, Seeds, Clover, and Grass	22,439,351	28,520,854	42,451,126
<i>Articles wholly or mainly manufactured—</i>			
Iron and Steel and manufactures thereof	7,681,512	7,971,594	9,093,795
Other Metals and Manufactures, including Copper, Lead, Quicksilver, Tin, and Zinc	24,659,602	24,346,328	24,699,531
Cutlery, Hardware, Implements (except Machine Tools), and Instruments, including Clocks and Watches	3,750,177	3,719,049	4,673,888
Electrical Goods and Apparatus (other than Machinery and Telegraph)	1,263,762	1,322,509	1,686,469
Machinery	4,552,904	4,438,336	4,471,303
Wood and Timber, including Furniture	1,970,917	2,054,258	2,338,470
<i>Yarns and Textile Fabrics—</i>			
Cotton, including Yarns, Piece Goods, Gloves, Hosiery, Lace, Ribbons, etc	9,475,795	9,839,091	10,874,620
Wool, including Worsted, Woollen Stuffs, Stockings, Carpets, Rugs, Braids, etc.	9,500,056	9,727,760	9,599,281
Silk, including Yarns, Stuffs, Ribbons, Lace, etc	12,536,224	12,759,931	13,521,001
Jute Manufactures	2,358,057	2,074,373	2,580,783
Linen Yarn	702,652	1,213,595	1,051,509
Men's and Boys' Clothing of Wool and Wool Mixtures	2,823,718	3,537,107	3,459,492
Boots and Shoes	893,060	954,203	932,684
Hats and Bonnets	477,216	572,807	707,598
Chemicals, Drugs, Dyes and Colours, Dye Stuffs, Painters' Colours, and Pigments	10,185,617	10,596,593	11,259,716
Leather and Manufactures thereof, including Gloves, but excluding Boots and Shoes	11,562,700	11,617,130	11,825,749

"The neglect of some care which we are bound by law to exercise towards somebody"

Under certain circumstances, it may not be possible to prove negligence definitely, but if there is *prima facie* negligence, a plaintiff may be successful in an action. This doctrine is expressed by the Latin maxim *res ipsa loquitur*.

It is a rule that damage, to be actionable, "must be the ordinary and probable consequence of the act complained of" in other words, the act must be "the proximate cause" of the damage.

Although very much more could be said on the question of the civil liability of an individual to the public, the preceding remarks will be sufficient to show how onerous is the liability resting upon an employer of labour (inasmuch as he is not only responsible for his own acts of omission or commission, but is answerable at law for any act of negligence committed by his employees in the course of their work), and the importance of being able by the payment of a comparatively small amount to relieve himself of the liability by effecting an insurance policy is obvious.

We will now proceed to consider those insurances to which reference is made in the beginning of this section.

**Third Party (Drivers') Insurance.** In practice, drivers' insurance is divided into three sections, *z e*—

(1) Indemnity in respect of claims by the public  
(2) Indemnity in respect of damage to an insured's own vehicles

(3) Indemnity in respect of fatal injury to an insured's own horses

The insurance in respect of the second and third risks is only granted in conjunction with the first.

**Contract.** Policies in respect of the first risk usually indemnify the insured against his legal liability to pay compensation for injury to the person or property of third parties caused through his negligence or that of his drivers, or from kicks and bites of horses, goods falling off vehicles, and from loading and unloading of vehicles, the amount of the indemnity being agreed upon between the contracting parties when the insurance is effected.

The usual custom of the companies is to limit their liability under the contract to a certain sum in respect of any one accident, with a maximum liability for the year. For instance—

£100 in respect of claims arising out of any one accident,

£300 in respect of all claims during any one year.

The policy usually covers all law costs incurred with the company's consent in contesting an action, in addition to the fixed amount of the indemnity.

Policies are issued for twelve months, and are renewable from time to time at the option of the company. A condition of the policy, precedent to the right to claim, is that the insured shall exercise every reasonable precaution in the selection of sober and competent drivers, and shall see that his horses are free from vice and fit for the work for which they are used, and that the vehicles are kept in a perfect state of repair.

Under Section 2, the company is liable to make good any damage to the insured vehicles (up to their full value) resulting from an accident whilst the vehicles are being used in conjunction with the horses.

The insurance under Section 3 is limited to fatal accidents, and the insured is usually called upon to bear one-third of the liability.

**Proposal.** Before issuing a policy for drivers' insurance, the company requires to know certain facts about the risk, and the proposer is requested to complete a proposal form similar to that shown in the inset, the answers to which form the basis of the contract.

The premiums are based at the rate of so much per driver, and vary according to the number of drivers employed, the amount of indemnity required, the nature of the business carried on, and the locality, *z e*, London, provincial towns, or villages.

**Motor Car Insurance.** The motor car industry owes its development in this country to the passing of the Light Locomotives Act, 1896. Prior to this Act mechanically-propelled vehicles could only travel on the public highway at a speed not exceeding 4 miles an hour, and then only if accompanied by an attendant who had to precede the vehicle with a red flag. To enable the industry to develop, it was necessary to do away with such ridiculous restrictions, and this was accomplished by the before-mentioned Act.

From this date the industry has made exceedingly rapid strides, in fact, the motor has revolutionised the mode of travelling.

At first, a good deal of prejudice was shown by the general public towards mechanically-propelled vehicles, but having recognised the utility of the motor as compared with the horse-drawn vehicle, and become accustomed to their use, the spirit of antagonism has died away.

The insurance companies were not slow to recognise that in this branch of insurance a great future was before them, but, as in many new ventures, most of those who underwrote the business to any extent at the outset had to pay for their experience very dearly in the shape of a heavy claims ratio.

The companies have kept pace with the over-increasing desire of the users of cars to be protected against every possible contingency that could arise, so that the composite policy issued by most of them to-day is almost the acme of perfection in its comprehensiveness.

**Contract.** A composite policy usually covers the following risks—

**Section 1** Claims made by third parties (*z e*, the public) for personal injury or damage to property.

**Section 2** Accidental damage to the car (with few exceptions).

**Section 3** Damage to car resulting from fire, explosion, and self-ignition.

**Section 4** Willful damage to the car by persons not in the insured's service.

**Section 5.** Loss by burglary and theft.

**Section 6** Damage to car in transit.

**Section 7** Continental risks, *z e*, accidents arising from use of car on the Continent.

The indemnity granted under these contracts, in so far as Section 1 is concerned, is unlimited. Under the other sections the company's liability is limited to the agreed value of the car at the time of insuring.

Notwithstanding the wide cover granted under these policies, there are certain risks which the insured must personally bear, they are—

(1) Theft of accessories, except when stolen with car. (Many companies now cover loss of accessories, however caused, the insured having to bear the first £1 of every loss.)

(2) Punctures or bursts of tyres (except when due to collision.)

(3) Breakage or fracture of parts of car due to



*Lifts, Cranes, and Hoists, &c*, accidents caused by the negligence of the attendant, or due to defects in the mechanism

The terms and conditions of the policies vary according to the nature of the risk to be covered. Injuries or damage caused by fire or explosion, damage to goods in trust, and to buildings or their contents upon which the assured may be working, or injury to the workmen of another employer engaged upon the same contract as the insured are risks which are usually excluded from the benefits covered by these policies

**Method of Rating.** Each case being rated upon its merits, it is only possible to give a rough idea of the premiums charged

For retail shop risks, &c —  
Grocers, bakers, butchers, fishmongers, news-agents, fancy dealers, and the like, the rates vary from 10s to 20s per shop per annum for an indemnity of £100

For builders' and contractors' risks, the premium is based upon the wages expended, and varies from 5s per cent to 10s per cent upon the wage roll

The premiums charged for the insurance of cranes, lifts, and hoists vary considerably, according to circumstances, the details of which cannot be entered into here

**12 WORKMEN'S COMPENSATION INSURANCE** By workmen's compensation insurance is generally understood a contract of indemnity under which the insurers undertake to indemnify the employer against his legal liability at Common Law, Lord Campbell's Act, 1846, the Employers' Liability Act, 1880, and the Workmen's Compensation Act, 1906—in respect of accidents happening to his workpeople, and the cost incurred in contesting or settling claims made

During the course of legal history the relation between master and servant has constantly changed, and the tendency of the legislation has been to increase the liability upon employers to compensate their workpeople for injuries received in the course of their employment. Each successive statute has increased the burden on employers

The onerous obligations imposed upon employers of labour under the various Acts and the marked increase in the number of accidents for which compensation is payable have led all prudent employers to insure their liability

The following figures, showing the number of reported accidents over a period of three years, given by the Chief Inspector of Factories and Workshops in his report for 1910, are instructive as well as interesting—

	1908	1909	1910.
Fatal Accidents	1,042	946	1,080
Accidents reported to certifying surgeons	40,859	39,620	42,714
Reported to inspectors only	80,253	77,534	85,756

The alarming increase in the figures for the year 1910, as compared with the two previous years, may to some extent be accounted for by the increase in the volume of business transacted by the nation

The question of the financial standing of the office underwriting Workmen's Compensation Act risks is of the first importance, but it is to be regretted that it is a factor often overlooked by the public in the keen desire to obtain the cheapest rate.

The premiums vary in accordance with the degree of hazard of the particular trade, and the classification and rating of risks are big subjects hardly falling within the scope of this work

**Common Law.** By the law of the land a person is responsible for any act of negligence on his part whereby an innocent person is made to suffer loss. Liability for negligence, under what is known as Common Law, has existed from time immemorial, and the presence of a contract of service between employer and employed does not relieve the former from any Common Law liability that may rest upon him for injury sustained by the latter in the course of his employment

Common Law must not be confused with Statute Law. The former is the unwritten law of the land, whereas Statute Law is the written law based on Acts of Parliament. Common Law is over-ruled by Statute Law. (See COMMON LAW)

Not only is an employer responsible at Common Law for his own negligent acts, but he is also liable for the wrongful acts of his employees in the course of their employment, and it was presumed prior to the decision in the memorable case of *Priestley v Fowler* (1837) that a workman, meeting with an injury in the course of his employment through the negligence of a fellow-servant, had the same right of claim to compensation against the employer as any other person

It was, however, decided in that case that where injury results from the act of a fellow-servant engaged in a common employment, under the same master, the latter is not responsible for the consequence of the injury. This doctrine, known as *Common Employment (qv)* was carried in subsequent cases to an extent that became a positive hardship upon employees

The effect of the doctrine was greatly aggravated owing to the tendency to create limited liability companies, thus making it more difficult for the injured workman to prove negligence against the employers personally. The anomaly thus created was too patent to be ignored, and in 1880 an Act called the Employers' Liability Act was passed with a view to its removal

The amount recoverable at Common Law by way of compensation is unlimited.

**Lord Campbell's Act, 1846.** Before passing to the consideration of the Employers' Liability Act, a brief reference to an Act passed in the year 1846, known as Lord Campbell's Act, is called for.

Under Common Law an action for damages dies with the decease of either of the interested parties, &c, the person entitled to bring the action or the person against whom it is brought. This doctrine, expressed in the maxim *Actio personalis moritur cum persona (qv)*, had the effect of relieving an employer of responsibility for an accident causing the death of an employee. With the passing of Lord Campbell's Act, however, such right of claim as the deceased person would have enjoyed had he lived was vested in the executor or administrator for the benefit of those who would otherwise have benefited had death not taken place

**Employers' Liability Act, 1880.** We have already seen that by the doctrine of *Common Employment* a workman had no remedy against his employer



Halsbury, in giving judgment in this case, however, careful to point out that the decision is to be regarded as involving the doctrine that industrial diseases were to be regarded as accidents.

It is presumed that decisions given under the Act of 1897 upon the words "personal injury by accident" will apply to the same words in the Act of 1906.

Passing, the decision in the case of *Williamson v. Manchester & Company* (which was the first appeal to the House of Lords under the 1906 Act) may be said as following upon the principle laid down in the case of *Fenton v. Thorley*. The case was that of a trimmer on board a steamer, whose duty it was "to rake out ashes that had fallen from the funnel," and whilst thus employed he fell down from the deck, and was injured by heat-stroke and subsequently died. Held to be an accident within the Act, arising out of and in the course of. It has already been said in decisions given in respect of these cases that the accident must arise BOTH out of AND in the course of the employment. Also that the onus is on the plaintiff to prove that the accident happened. The words involve questions of fact.

It has been held in the case of a person struck by a moving vehicle, whose duties peculiarly exposed him to the risk, that the accident was such as to fall within the words of this Section. It does not follow from this, however, that all accidents arising in an "act of God" would be included. An accident may arise out of the employment although the injured workman may be acting contrary to his master's wishes, provided the workman is acting within the scope of his employment. To entitle to claim, it is not sufficient for the injured workman to show that the accident arose in the course of his employment, as was clearly decided in the case of *Benson v. Lancashire & Yorkshire Railway Company*, 1904, 1 K B 242, where an engine-driver, for his own purposes, went to get information from a signaller, and was subsequently found lying on the line seriously injured.

The principle here involved was confirmed in a subsequent case—*Reed v. Great Western Railway Company*, 1909, A C 31. The Lord Chancellor held that the accident did not arise out of or take place in the course of the employment, but took place for the moment the injured man quitted his employment.

Before proceeding to deal with the scale of compensation as set forth in the first schedule to the Act, let us consider briefly the exceptions under the Act.

**Persons who are not Workmen.** The definition of a workman, given in Section 13, excludes—

Persons whose remuneration exceeds £250 per annum, and who are not engaged in manual work; Persons engaged in a private and domestic capacity, whose employment is of a casual nature; Members of a police force.

**An outworker.** A member of the employer's family dwelling in a house.

**Remuneration.** It follows that a person who is employed by way of manual labour comes within the Act, even though his remuneration may exceed £250, but where a person is engaged partly in manual work and partly in manual labour some questions may arise, although it is thought that if

manual labour constitutes the principal duties of the employee the case will be within the Act.

It will be noticed that the Section refers to remuneration and not to wages. Therefore, not only cash payments, but board and lodgings, uniform, and other things—the value of which is capable of being calculated in money—may be taken into consideration in assessing the earnings.

*Penn v. Spiers & Ponds*, 1908, 1 K B 766, illustrates this point. In this case tips received by a waiter were held to be part of the man's remuneration.

**(b) Casual Nature.** The term "casual nature" has created a good deal of speculation as to its meaning when applied to employment in regard to domestic engagements, or in the words of the Act, "otherwise than for the purpose of an employer's trade or business."

The dictionary meaning of the word "casual" is "depending on chance," "occurring or coming at uncertain times," "unsettled," and so on.

The idea uppermost in these meanings is "intermittent."

It has been laid down by the courts in recent cases, however, that the mere fact of an employment being intermittent does not necessarily make it of a casual nature so as to exclude a workman so employed from benefits under the Act, when there is evidence of a definite contract or arrangement. Whether an employment is of a casual nature or not will depend on the agreement existing between the employed and the employer.

To take illustrations—

A window cleaner instructed at irregular intervals by postcard to clean the windows of a private house, held employment of a casual labour.

In contradistinction to this case, where a washerwoman was engaged to attend on a certain day in each week, it was held by the Court of Appeal that "there was evidence of a contract," and that the employment was not casual.

**(c) Outworker.** means a person to whom articles or materials are given out to be made up, cleaned, washed, altered, ornamented, finished, or repaired, or adapted for sale, in his own home, or on other premises not under the control or management of the person who gave out the materials or articles.

**(d) Employer's Family.** Member of the "employer's family" means wife or husband, father, mother, grandfather, grandmother, stepfather, step-mother, son, daughter, grandson, grand-daughter, stepson, step-daughter, brother, sister, half-brother, half-sister.

**Scale of Compensation.** First schedule (ss 1)

This Section of the Act deals with the scale and conditions of compensation, which are briefly as follows—

**Fatal Injury.** Where DEATH results from an injury, an amount equal to three years' earnings—or a sum of £150—whichever of these sums is the larger, but not exceeding in any case £300—where there is a total dependency.

**(Example)** Where the average earnings of a workman previous to death were 15s per week, the minimum amount of £150 would be payable. If the weekly wages were 50s per week, then £300 would be payable, or

A sum reasonable and proportionate to the loss sustained where only partial dependency exists, or

Reasonable expenses of medical attendance and burial (not exceeding £10) where the deceased leaves no dependants.



The geographical or district index is used where it is desired to classify customers or clients according to their towns, counties, or districts. For instance, it may be more convenient to a firm to divide up the map of England and Wales into, say, eight sections, in each section of which there may be a traveller or a branch office. In this case, separate ledgers, address books, etc., are often used, and the vowel system followed in each. If the vowel system is not sufficient, however, to afford ready reference on account of the very large number of names, more columns may be used, and the letters further subdivided, *e.g.*, Sa, Sc, Se, Sh, Si, Sk, etc. In a case of this kind, however, the card index would be the readiest and most elastic method of dealing with the matter. The advantages of the card system are discussed elsewhere.

In indexing names, the following rules should be observed—

(1) Ordinary names should be indexed under the *surname*, *e.g.*, Smith (John)

(2) Compound names should be entered under the first part of the name, and separately under the second, *e.g.*—

Ford-Smith, A M

Smith (A M Ford-) See Ford-Smith

(3) Titles and dignities should be added thus—  
Wilson, (Sir Frederick) Bart, J P, D L

(4) Names with prefixes Des, Du, De, La, Le should be entered as follows: Du Maurier (Chas.), DeLaval (Paul), La Touche (S P.), LeMare (Joseph). Other foreign names should be indexed

under the surname following the prefix, *e.g.*, Heyde (S. von der); Bulow (A Von); Cate (H. ten), Knoop (J de).

Public institutions and corporations should be entered as far as possible under the name of the town, thus London County Council, Liverpool Corporation, Nottingham Public Library, Glasgow Infirmary, Manchester Simpson Memorial Institute (with reference from Simpson Memorial Institute).

**INDIA.**—*Position, Size, and Population.* India includes the middle of the three great southern peninsulas of Asia. Northward it extends into the Himalayan region, its extreme north being at the foot of the Pamir plateau. Westward it includes Baluchistan and eastward Burma, part of the peninsula of Indo-China. India proper is held solely for economic reasons, so, too, is much of Burma. Baluchistan, however, is important for purely strategic reasons, as it commands one of the routes to India from the west. The whole of the peninsular area lies within the tropics. Cape Comorin, in the south, is only 8° from the equator, while the extreme northern point is in latitude 37° N. The east and west limits are in longitude 61° E. and 99½° E. respectively.

The total area is 1,773,168 square miles, and the population 315,132,537.

**Political Divisions.** The larger part of India is administered directly by the British, and the remainder by native rulers under the guidance of a British resident.

The British Provinces are—

	Area in sq miles	Population
Burma (Upper, Lower, and the Shan States)	236,738	12,115,217
Bengal	221,995	86,402,866
Assam		
The New Province (Behar, Orissa, and Chota Nagpur)	107,164	47,182,044
United Provinces (Agra and Oudh)	2,711	501,395
Ajmere-Merwara	97,209	20,330,339
Punjab	16,422	2,125,480
N W Frontier Province	45,802	414,412
Baluchistan	123,064	19,672,612
Bombay (Bombay, Sind, Aden)	100,345	13,916,308
Central Provinces and Berar	1,582	174,976
Coorg	141,726	41,405,404
Madras	3,143	26,459
Andamans and Nicobars		
Total	1,097,901	244,267,542

Previous to 1912, Bengal included Behar, Orissa, and Chota Nagpur, while Eastern Bengal and Assam formed one province.

The Native States are—

	Area in sq miles	Population
Hyderabad	82,698	13,374,676
Baroda	8,099	2,032,798
Mysore	29,441	5,806,193
Jammu and Kashmir	80,900	3,158,126
Sikkim		87,920
Rajputana States (Alwar, Bharatpur, Bikaner, Bundi, Dholpur, Jaipur, Jaisalmer, Jodhpur, Karauli, Kotah, Tonk, and Mewar)	127,541	10,530,432
Central India States (Barwani, Bhopal, Dhar, Gwalior, Indore, Orchha, and Rewa)	78,772	9,356,980

From Bombay southward to Goa is the *Konkan Coast*, south of this is the *Malabar Coast*. On the east, Madras is on the *Coromandel Coast*. From the mouth of the Kistna to the mouth of the Mahanadi is the *Golconda Coast*, and beyond this the *Orissa Coast*, stretching as far as the Hugh month of the Ganges. The coast lands of the delta are known as the *Sunderbunds*.

**Communication.** Of the rivers of India, the only one that affords communication for any considerable distance is the Brahmaputra, on which steamers ascend as high as Dibrugarh, the boats that at one time ran on the Indus having now been discontinued. Despite its size, the Ganges has no great through traffic upon it, but in its valley is the closest network of railways. In the Deccan the general east and west lie of the river valleys makes the building of a north and south railway impossible. The total length of line in the whole empire (*i.e.*, including Burma and Baluchistan) is 31,000 miles. Of this, 24,000 are owned by the Government of India, and 3,621 are in Native States. The remainder are assisted either by the central or by local governments, by means of subsidies, rebates, or grants of land, the total length of independent and unassisted line being only 42 miles.

Most of the Indian railways are of standard gauge—5 ft 6 in. After this comes the metric gauge—3 ft 3½ in.—chiefly in the less populated parts of the central Deccan, Rajputana and Gujerat, and along the foot of the Himalayas in the Ganges basin. Special gauges of 2 ft and 2 ft 6 in. are in use for short stretches of line throughout the country. The length of standard gauge line is 16,000 miles, and of metric gauge 13,000 miles.

From Bombay the railway climbs up to the Deccan by a pass 1,900 ft above the sea, necessitating the employment of many zigzags and reversing stations. As soon as the tableland is reached, one branch goes north-eastward to Allahabad and Calcutta, and another south-westward to Madras. At Goa a metric gauge line ascends the plateau. Behind Calcut is a very low pass, through which runs a line to Madras. From Madras to Calcutta the line follows the coast. From the line which runs parallel with the Indus are important strategic branches, one going to Quetta, at the mouth of the Bolan Pass, and the other to Peshawur, at the mouth of the Khyber.

The Great Trunk Road, from Calcutta to Peshawur, is now used only locally since the extension of the railways.

**Climate.** The climate of India depends largely on the monsoons. These are winds which blow regularly from the south-west from May till October, and from the north-east from November to February. The south-west monsoon, coming from the ocean, brings rain to the whole country, except that part around Madras, which is protected by the hills behind it. The windward sides of the Western Ghats, the Himalayas, and other mountains receive the most copious downpours, while, in the Deccan particularly, the country on the lee of the mountains has an uncertain rainfall and periodic famines. The north-east monsoon, blowing for the most part over the land, is cool and dry, the only part of India having rain then being the south-east. The hot season is between the two monsoons in March and April, so that the three principal seasons are the hot, the rainy, and the cool. With a range of 30° of latitude, there is, of

course, a marked difference in the degree of heat or cold in the north and south; while the rainfall varies from the almost desert conditions of the lower Indus valley and Rajputana to those of the Khasia Hills in Assam, where the annual downpour of about 600 in. is greater than in any other part of the world.

**Agricultural Products.** On the western coast of the peninsula and on the western slopes of Burma the most important timber is the teak. In the Himalayan region the deodar, a kind of cedar, is plentiful, and in the intervening area the sal. The bamboo, of great local importance, grows almost everywhere, and several varieties of palm are found along the western coast. In the delta of the Ganges-Brahmaputra, and in the districts along the foot of the Himalaya, are dense, wet jungles, while the forests of Assam are more open. The most important grasslands are in the west of the Punjab, and on these stock-raising is a leading occupation.

Of the agricultural products, the most widely grown are Oil-seeds, millet, and pulse, the two latter forming the staple food of a large part of the population. The principal oil-seeds are Linseed, mustard, castor, rapc, and sesame, the two millets most largely grown are great millet (*goar*) and spiked millet (*bajra*). The chickpea (*gram*) is the most important of the pulses. Other food crops are sugar, rice, wheat, tea, coffee, and tobacco. The chief industrial plants are cotton, jute, and indigo. Of drugs, opium is the most profitable crop.

**Sugar.** Cane sugar is very extensively grown, but does not enter much into commerce, as the bulk of the crop is for home consumption. The amount produced being insufficient, some has to be imported. The principal areas are in the northern half of the country, where Agra, Bengal, Oudh, the Punjab, and Eastern Bengal are the largest producers. In the southern part of the country, sugar is made from the Palmyra and other palms. The total area under cane varies from 2,250,000 to 2,750,000 acres, the area under palms averaging only 170,000 acres. The total average production is 41,000,000 cwts., and the imports 11,400,000 cwts. The exports, of home and foreign production combined, average 333,000 cwts.

**Rice.** Although some upland or hill rice is grown, which does not require irrigation like the lowland variety, the latter is by far the more important crop. Since it must be planted where water to a considerable depth can be allowed to cover the fields at particular stages in its growth, the areas where it can be produced are confined to the low-lying fields at the sides of streams, and hence most abundantly in the delta lands of the east, where two crops are generally obtained in the year, sometimes from the same field. Despite this limitation, however, more land is under rice than any other crop. Bengal has the largest area under rice, the acreage being equal to more than that of all the other States together. After these come Madras, the United Provinces, the Central Provinces, Assam, and Bombay.

**Cotton.** Cotton is a plant which grows best in sub-tropical regions, or within the tropics in the more elevated regions, so that in India the principal cotton areas are on the high tropical Deccan, especially in Khandesh, Bejar, and Wardha, and the lowlands of the Indus and the Ganges. Indian cotton is not so suitable as American cotton for manufacture by machinery, having been produced for centuries to supply the hand workers at home,

transport. Large areas of forest are reserved for the herds, which are carefully protected from indiscriminate destruction.

*Kites, adjutants* and other birds, and, in some places, *jacksals*, are tolerated for their scavenging propensities. Of harmful animals, *tigers, panthers*, and *snakes* are the most destructive both to men and farm animals. Tigers and panthers account for the death of 1,200 human beings, and 60,000 cattle, and snakes 20,000 persons and 4,000 animals yearly.

**The People, Languages, and Religions.** As India is such a compact country on the map, it is sometimes lost sight of that it has not one people, with one language and one religion, but a complex of many different races and languages, and with every form of religion from the lowest to the highest, yet when it is pointed out that there are as many people in India as in the whole of the New World, with Africa added, the fact is not so striking. The boundaries of provinces and States have little relation to any of these, and, although languages are to some extent regional, people of diverse race and religion live in the closest contact, a fact which accentuates rather than diminishes the barriers between them. The differences which exist are due largely to the number of invasions of the country that have occurred since prehistoric times. One cause of these invasions was the fact that it was but seldom that the whole country could be brought under the sway of one ruler, and the quarrels between the States became the opportunity of the invader. It was by taking advantage of such quarrels that the British in the first case gained a firm hold.

Of the principal languages, the following are spoken by more than 10,000,000 of people: Hindi (87,000,000), Bengali (45,000,000), Telugu (21,000,000), Mahrathi (18,000,000), Punjabi (17,000,000), Tamil (17,000,000), Rajasthan (11,000,000), Kananese (10,000,000), Gujarati (10,000,000), Uriya (10,000,000).

English is spoken by rather more than 250,000.

The principal religions are: Hindu (218,000,000); Mahomedans (67,000,000), Buddhists (11,000,000), Christians (4,000,000), Sikhs (3,000,000); Jains (1,250,000). Of the Christians, two-thirds belong to the Province of Madras, where at one time Portuguese missionaries laboured.

There are 21,000 Jews chiefly in Goa, and 100,000 Parsis scattered throughout the country, and to a large extent controlling its commerce.

**Occupations.** *Agriculture* has always been the leading occupation in India, and even now two-thirds of the people are directly dependent upon the soil. The following list gives in millions the numbers in the principal occupations: Agriculture (192), general labour (18), food, drink, etc (17), textile industries (11), professions (5), commerce (4).

**Commerce.** *Imports.* The principal imports by sea are mainly from the United Kingdom. By far the most important item is cotton goods. Then come sugar, railway material, machinery, iron, steel, hardware, and woollen goods.

The principal import by land is grain, and the chief country traded with Nepal.

The average annual value of the imports by sea is £106,200,000, and by land £5,130,000.

**Exports.** The principal exports by sea are raw cotton and cotton in various stages of manufacture, raw jute and jute goods, rice, hides, seeds, tea, and opium. These are sent mainly to the United Kingdom and the British Possessions generally,

especially Hong-Kong, Ceylon, and the Straits Settlements, the leading foreign countries being Germany and the United States.

The exports by land, chiefly to Nepal and Afghanistan, comprise most largely European cottons.

The average annual value of the exports by sea is £114,000,000, and by land £4,400,000.

**Divisions and Commercial Centres.** **BENGAL**, in the wide sense, includes the Presidency of Bengal and Behar, Nagpur, Orissa, under a lieutenant-governor, the greater part consisting of the delta and lower basins of the Ganges and Brahmaputra. The soil is very fertile, and enormous quantities of rice are grown, the area under that crop being equal to nearly half the total area in the Empire. Other important crops are oil seeds, peas, wheat, tea, indigo, and tobacco.

*Calcutta* (1,043,807, with suburbs, other than Howrah) became the capital of British India in 1773, and remained such until it was superseded by Delhi in 1912. It stands on the eastern bank of the Hugh, the largest of the distributaries of the Ganges. Its docks, the largest of which are below the city at Kidapur, extend for 10 miles, and there is accommodation for vessels drawing 34 ft. The distance from London is about 8,000 miles. The principal exports are jute, cotton, rice, wheat, and opium, and the principal imports coal, iron and other metals, hardware, cotton goods, and other textiles.

*Howrah* (179,000) lies on the opposite bank of the Hugh, and really forms part of Calcutta. It is here that the jute factories are situated, together with cotton mills and other industrial undertakings.

*Patna* (136,000), on the Ganges, opposite its junction with the Gunder, is the centre of the surrounding agricultural regions.

*Gaya* (50,000), *Dacca* (109,000), *Blagalpur* (74,000), with others almost as large, are towns once famous for hand-made fabrics, but now merely local centres.

**THE UNITED PROVINCES OF AGRA AND OUDH** lie between the Jumna on the south and the Himalayas on the north, and are traversed by the Ganges and several of its larger tributaries. Irrigation is carried on to such an extent that the size of these rivers is greatly diminished. Rice is the most extensively grown crop, but, commercially, wheat is the most important. The sugar cane is cultivated especially in the north, and a large area is under cotton.

*Lucknow* (260,000), in spite of its size, is of little more than local importance. It has, however, considerable textile and metal work industries, carried out by hand. Recently, however, factories on Western lines have been established for the manufacture of iron and paper.

*Benares* (204,000) with manufactures of silk, gold, and German silver goods, owes its importance largely to the fact of being the centre of Brahminism, while *Allahabad* (172,000) at the junction of the Ganges and the Jumna, is the chief Mussulman city, and of increasing importance through the introduction of railways.

*Mirzapur* (32,000, less than half of what it was in 1901), though still retaining some carpet-weaving and allied industries, is of declining importance.

*Cawnpore* (179,000), on the Ganges, has large cotton and leather industries organised to an increasing extent on Western lines.

*Agra* (185,000) and *Ameer* (116,000) are among

important crops are cotton, oil seeds, indigo, and tobacco. The rainy season on the south-east is during the winter.

*Madras* (519,000), on the east coast, is about 7,500 miles from London, and has no natural harbour, a fact that prevents it receiving such a large share of the trade of its province, as is the case with Bombay and Calcutta. There is now a harbour of about 200 acres, but all goods have to be lightered. The principal exports are cotton, sugar, indigo, rice, and cocoanut oil, and the imports hardy are and manufactured goods generally.

*Calcut* (78,000) was the landing-place of Vasco da Gama, and so the first port to carry on trade with Europe, a trade which still survives, coffee and timber being exported.

*Salem* (59,000) has extensive iron deposits, which are at present of little value, owing to the absence of fuel. Experiments are being made, however, to carry the ore northwards to the Orissa region, where coal and limestone are more readily available.

*Madura* (134,000) and *Trichinopoly* (122,000) are of local importance only.

ASSAM is the valley of the Brahmaputra, between the Himalayas on the north and the Khasia and Naga Hills on the south. The rainfall in the former is the highest in the world. The area under rice is large in comparison with the size of the province, but the most important crop commercially is tea, of which Assam supplies the bulk of the Indian output.

There are no large towns.

*Shillong* (8,000) is the administrative centre.

*Darjiling* (17,000) is the centre of the tea area.

BURMA is a mountainous country through which from north to south, run deep valleys, the largest of which are occupied by the Irawadi and the Salwin. The northern part is known as Upper Burma. The southern portion, called Lower Burma, includes the deltas of the two great rivers, the narrow Arakan coast plain adjoining Bengal, and the Tenasserim coast plain in the Malay Peninsula. In the Upper Burma, millet is the most important cereal, although a large amount of rice is grown. In Lower Burma, enormous quantities of rice are grown for export. The forest on the mountain slopes yield valuable timber, teak being a leading export. Petroleum is also obtained.

*Rangoon* (293,000), to the east of the delta of the Irawadi, 8,000 miles from London, accommodates vessels drawing 21 ft, and is increasing rapidly in importance. The principal exports are rice, petroleum, and teak.

*Mandalay* (138,000), on the Irawadi, is the most important town in Upper Burma, and is connected by rail with Rangoon, along the valley of the Sittaung, which runs midway between the two larger valleys. It is the centre of a considerable river traffic.

*Moulmein*, at the mouth of the Salwin, exports largely teak and rice.

BALUCHISTAN, a barren and sparsely populated country, is held solely for military purposes.

*Kohat* (15,000) is the principal native town.

*Quetta* (34,000), the military centre, is connected with India by rail through the Bolan Pass and has consequently risen in importance as a trade centre.

THE ANDAMAN ISLANDS, in the Bay of Bengal, contains forests of bamboo and valuable timber as yet untouched.

*Port Blair*, on a splendid harbour, is regarded as a penal settlement.

THE NICOBAR ISLANDS, further south, export large quantities of cocoanut fibre and copra.

The Principal Native States. KASHMIR lies in the north among the Himalayas. The most important part is the Vale of Kashmir, where *Srinagar* (126,000), the capital, is situated. Agriculture is the leading occupation, although the making of textiles, including cashmere shawls and fine metal work, is carried on in the capital.

THE RAJPUJANA STATES. These lie scattered to the south-east of the Indus, many of them in the semi-arid region where famines are frequent.

The largest of them is BARODA, made up of a number of detached fragments, with the city of *Baroda* (99,000) as the capital.

HYDERABAD is the largest native State in the Deccan, and, being almost wholly in the region of uncertain rainfall, is very liable to famine. *Hyderabad* (501,000) is the capital and only large town. Coal is being raised in the eastern part of the State in increasing quantities, especially in the neighbourhood of Singarem.

MYSORE. Mysore occupies the south portion of the Deccan. In its forests wild elephants abound. Gold is mined and coffee extensively grown.

*Bangalore* (189,000), occupying an elevated and healthy position, was the capital when the State was under the British.

*Mysore* (71,000) is the present capital.

Mails to India are despatched every Friday evening. The time of transit is to Bombay fourteen days, to Calcutta sixteen days, to Madras sixteen days, and to Rangoon eighteen days.

INDIA COUNCIL REMITTANCES.—The Indian Government has to make large payments in the United Kingdom in sterling on account of interest on its debt, etc. This revenue is collected in silver rupees, some of which have, however, to be exchanged for gold, in order that the interest payments shall be made. On the other hand, a large number of British merchants have to make payments in India in rupees for the enormous quantities of tea, jute, corn, etc., imported from that vast country. The India Council, which is the governing body of India, therefore, offers each week for tender so many rupees payable in India, in other words it sells its rupees in India for sovereigns payable here, thus performing the function of bill brokers so far as remittances between India and the United Kingdom are concerned. Rupees are spoken of in lakhs, a lakh being 100,000. In figures the number of lakhs is usually denoted by the first comma, followed by two noughts, with a comma and then three noughts. For example, 14 lakhs would be written as follows: Rs 14,00,000. The rupee being worth 1s. 4d., a lakh is equivalent to 26,667.

INDIANMAN.—A term now obsolete, but one which was formerly in use to indicate a ship which was engaged in the East Indian trade.

INDIAN CORN, OR MAIZE.—The produce of a species of grass, the *Zea mays*, which is now grown principally in the United States and along the banks of the Danube. Maize ranks next to rice in its importance as a cereal being rich in starchy and fatty substances. From the meal, corn-flour or oswego is prepared. Among its other products are pover from the straw, and sugar, vinegar, and treacle from the grass. The British variety is only useful as fodder.

INDIAN INK.—(See INK.)

INDIAN RAILWAYS.—Railways in India are for different purposes: (1) The ordinary passenger and

decided by a common or traverse jury. The whole document forms the indictment, but if there are several offences charged, each one is contained in a separate paragraph and is technically known as a "count." There are many difficult and intricate rules as to the inclusion (or, as it is technically called, joinder) of various counts in the same indictment. Totally distinct offences cannot be joined. Thus, if A is charged with several thefts, each theft being from a different individual, the charges cannot be entered as counts in a single indictment, but a separate indictment is required for each. The importance of accuracy in the framing of indictments led to some curious results in bygone days, but by recent legislation the court has now ample powers of amendment in cases of error. The formal part of every indictment is as follows: "The jurors for our Lord the King upon their oath present that," etc., and each count in an indictment, after the first, commences, "And the jurors aforesaid, upon their oath aforesaid, do further present that the said," etc., in each case naming the prisoner and stating the offence with which he is charged. Until a true bill (*qv*) is found by the grand jury, it is incorrect to speak of the document as an indictment. It is merely a "bill of indictment."

**INDIGO.**—A blue dye obtained by fermentation from the leaves of various plants, of which the chief is the *Isatis tinctoria* of Bengal. It is sold in the form of a dark blue solid, and owes its value as a dyeing agent to the presence of indigotin. It is still much used in England for dyeing woollen cloth and for calico printing, but the demand for the Indian article has fallen off tremendously since the introduction, towards the end of the nineteenth century, of artificial indigo, obtained from a coal-tar product, the latter being universally used in Germany and in most other countries. Various kinds of indigo are obtained from South and West Africa, Java, and Central America.

**INDIVIDUALISM.**—The Individualist, like the Socialist, aims at the maximum amount of public good. He, too, regards society as a co-operation of mutual service, he differs from the Socialist only as to the means of attaining public welfare. The question between him and the Socialist is, after all, one of the stomach: it is a question of how the greatest production of material goods is to be obtained, and how these goods, when in existence, shall be most righteously distributed. The Socialist affirms that these aims are best attained by regulation and combination, his opponent prefers the method of freedom and competition. The Individualist upholds private property, because it is the most potent instrument for stimulating a man to work for his fellows, because, despite the notable and deplorable exceptions, most fortunes have been made by ways that have conferred a far greater benefit on the community than their possessors have ever been able to obtain. "The single brain of James Watt is the greatest wage fund that has ever arisen in the world," and yet Watt made no inordinate fortune. The Individualist honours in their descendants the claims of those who have so added to the public wealth that life is made easier for all. For he holds that the rich man, the great inventor, or organiser, or initiator, has usually conferred on society much more than he gets from society, and that the poor, "the disinherited," often enough fails to pay his footing in the world. He upholds landed property and patents and copy-

rights, because the investment of capital in what may be most profitable lines will only be secured when, as a premium against possible loss, profits are assured, either in perpetuity or for a limited period. He upholds interest because he feels that opportunity of remunerative investment is the greatest incentive to increase and to economise public wealth. He supports the unrestricted choice of occupations and the freedom of contract, not merely because a free man is a higher moral being than one whose whole life is regulated and prescribed for him, but because a certain rough justice proportions rewards to service. He desires that, though the law cannot undertake to punish idleness, or intemperance, or improvidence, yet these vices should be visited by their national penalty of poverty, and that toil, temperance, and prudence shall reap their fitting recompense of comfort.

In short, he points out that, in all the great departments of the industrial life of a nation, the greatest happiness of the greatest number is attained by the obvious and simple system of natural liberty. In the consumption of goods a man must choose for himself; for in the diversity of tastes no one has power to say which of two things a man will consider the more acceptable. Give two boys a shilling each to spend, and more happiness will follow if each chooses for himself than if each for the other. In production the Individualist teaches that industrial freedom means greater scope for mutual services, that the success of an enterprise depends on whether the community needs it, and that, as society develops, the interests of its members become ever more harmonious. Competition creates abundance, ease of acquisition, variety, quality, and cheapness to the consumer, and by arousing the spirit of emulation it preserves from languishing the productive forces of the world in their war on want. When operations are carried on by those who necessarily are the most keenly interested in their success, the maximum of utility is obtained with the minimum of waste. Yet the cheapness for which he seeks is that caused by ease of production, not that occasioned by the ill remuneration of the worker. He views the pursuit of private wealth as a means towards the general good, and he criticises as severely as his socialistic opponent business methods which have ceased to be of social service, which sacrifice the general good to private gain. If freedom of exchange is permitted, he argues that goods will spontaneously find the place where they are valued most, because there they can perform most service. He would lay the burden of proof as to the desirability of State intervention on those who advocate it; and would not admit it except where the case for expediency is strong, for he regards the active business of life as a most important part of practical education for a people. He would have all realise their industrial responsibilities; he shows that competition is the form of the struggle for existence, which alone keeps a race or a species from degenerating. And he is loth to trust business to the State, whose agents are usually chosen not from those who are most capable, but from those who please most, and whose methods are more rigid than those of individuals or of voluntary associations.

And the best intentioned Governments may err. People understand their own business and their own interests better, and care for them more, than



is payable to bearer. But if the holder adds, after the name of John Jones, "Pay Alfred Robinson or order," and signs his own name underneath, the bill is now specially indorsed, and cannot be transferred until it bears the signature of Alfred Robinson, who may in turn indorse it either specially or in blank.

A restrictive indorsement is one which prohibits the further negotiation of the bill or which expresses that it is a mere authority to deal with the bill as thereby directed, and not as a transfer of the ownership thereof, e.g., "Pay D only," or "Pay D for the account of X," or "Pay D or order for collection." Such an indorsement gives the indorsee a right to receive payment of the bill and to sue any party thereto, provided the indorser could have sued him, but no power to transfer his rights as indorsee unless expressly authorised to do so. If the restrictive indorsement authorises a further transfer, all subsequent indorsees take the bill with the same rights and subject to the same liabilities as the first indorsee under the restrictive indorsement.

A "qualified indorsement" expressly negatives or limits the personal liability of the indorser. A common indorsement of this kind is one to which the words "*sans recours*" (*q v*), are added.

A conditional indorsement is one which purports to transfer the bill subject to some condition. This condition may always be disregarded by the payee, and payment to the indorsee is valid, whether the condition has been fulfilled or not. This does not, however, affect the position of the indorser and the indorsee in respect of the condition itself. (See **CONDITIONAL INDORSEMENT**.)

When a bill which is made payable to order is transferred by the holder without indorsement, the transferee only takes such rights in the instrument as were possessed by the transferor. In order to complete the instrument, the court may compel a transferor to indorse a bill which is made payable to his order if he improperly refuses to do so.

Any signature which appears upon a negotiable instrument must be made by the person named or by some agent duly authorised to make it for him. A forged or an unauthorised signature or indorsement is altogether inoperative, and no holder of a bill can acquire any right through the same. Also payment of a bill under a forged indorsement is of no effect as far as discharging the bill is concerned. A banker is liable for paying a bill under a forged indorsement, unless the bill is one drawn on a banker payable on demand, i.e., a cheque, or the payee is a fictitious or non-existent person (*q v*), or the person against whom it is sought to enforce payment is precluded from setting up the forgery. An unauthorised indorsement is not on the same footing as a forgery, for an unauthorised indorsement may be ratified. (See **FORGED AND UNAUTHORISED SIGNATURE**.)

If any indorsement on a bill is made by a party who has not the capacity to contract, e.g. an infant or a corporation, the instrument is not thereby invalidated. Of course the infant or the corporation cannot be made liable, but this in no wise affects the liability of all other signatories.

Indorsements on a bill of exchange may at any time be struck out by the holder of the bill. If this striking out is done intentionally, the indorser is freed from liability upon the bill, and this exoneration extends to all indorsers whose indorsements have been made subsequent to those of the indorser who is struck out.

**INDORSEMENT CONFIRMED.**—In the case of many banking transactions, irregularities are bound to occur in spite of the utmost care. Sometimes, for example, a cheque is paid in for collection to a banker, and the banker knows that it is all right in spite of an irregular indorsement. To avoid delay, the collecting banker frequently writes the words "indorsement confirmed," adding his own bank's name, and if it is, for example, a joint-stock bank, the words are followed by the name of the bank and the signature of the manager, per procuration.

In practice, it is considered advisable to use the words "indorsement confirmed" rather than "indorsement guaranteed," as in the latter case it might be held that a 6d stamp was necessary as for any other guarantee.

**INDORSEMENT GUARANTEED.**—(See **INDORSEMENT CONFIRMED**.)

**INDORSEMENT OF BANK NOTE.**—It happens very frequently that where a bank note is tendered in payment, the payee asks the person paying to indorse the note. There is no law compelling such an indorsement, but the payee can always refuse to give change out of the note if the indorsement is refused. By indorsing, the indorser is liable upon the document if the bank fails to meet the note.

It is the custom of the Bank of England to request an indorsement whenever a note is presented for payment. As all Bank of England notes are payable in gold, on demand, at the head office, the office has no right to insist upon the indorsement.

**INDORSEMENT OF DEPOSIT RECEIPT.**—A deposit receipt is not a negotiable instrument, and the indorsement upon it is really a discharge to the banker upon repayment of the money. If the receipt is for £2 or over, the signature on the back must be made across a 1d adhesive stamp, unless the printed form of receipt is already impressed with a 1d stamp. (See **DEPOSIT RECEIPT**.)

**INDORSER.**—The meaning of this term is a person who writes his name upon the back of any document. Thus, the payee of a bill of exchange or a cheque writes his name upon the back thereof and becomes an indorser. And similarly as the bill or cheque is negotiated each person who signs his name upon the back is an indorser and becomes liable upon the same, if value has been given at any time for it, i.e., unless the bill is an accommodation bill (*q v*). But in order to complete his contract on the bill an indorser must not only sign his name upon the instrument, he must deliver it. Any indorser may add after his signature such words as "without recourse to me" or "*sans recours*" (*q v*), and the Act provides that an indorser may insert an express stipulation (1) negating or limiting his own liability to the holder, or (2) waiving as regards himself some or all of the holder's duties. His liability, as stated below, is subject to what has just been set out. It is to be noticed that an indorsement, so called, may be written on the face of the bill. It is stupid, however, to try and experiment with negotiable instruments.

The indorser of a bill of exchange is bound by certain estoppels (*q v*), in the same way as the drawer and acceptor, and a slight consideration of the usual methods adopted in the negotiation of bills of exchange will make it obvious why these estoppels must exist. By section 55; sub section 2, of the Bills of Exchange Act, 1882—

"The indorser of a bill by indorsing it—  
"(a) Engages that on due presentment it



Phrase	Correct or Usually Accepted	Wrong or Not Usually Accepted
Messrs Brown	J & T Brown Brown & Son J Brown & Sons per pro Messrs Brown, J Jones Brown Bros Brown & Brown	Brown Brown & Coy. Messrs Brown
Messrs J & I Brown	J & I Brown per pro Messrs J & I Brown J. Jones John & Thomas Brown John Brown Thomas Brown	J & I Brown, per J Jones J. & T. Brown, J Jones
Messrs W Brown	W Brown W & W Brown	Messrs W Brown J & W Brown
Messrs Browns Brown & Co	Browns Brown & Coy per pro Brown & Co, J Jones, Manr per pro Brown & Co, J. Jones Brown & Co, by J Jones, Agent	Brown & Coy For Brown & Co, J Jones Brown & Co, J J Brown, Smith & Jones Jas Brown & Co per pro Brown & Co, pro J Jones R. Smith
Messrs Brown & Co	Brown & Coy per pro Messrs Brown & Co, J Jones, Brown & Co, John Brown, Partner	Messrs Brown & Co
Messrs Brown & Jones	J Brown J Jones Brown & Jones	Jones & Brown.
Brown & Jones, Ld	per pro Brown & Jones, Ld, J Smith, Secretary	Brown & Jones, Ld
The British Coy, Ld, per John Brown	per pro The British Coy, Ld John Brown, Secretary	John Brown
The British Coy, Ld	Indorsed by order of The British Com- pany, Ld, and placed to the credit of their account per pro the X & Y Bank, Ld, J Brown, Manager per pro The British Coy, Ld, J Brown, Secretary per pro The British Coy, Ld, J Brown pro, or For, The British Coy, Ld, J Brown, Manager For The British Coy, Ld, J Brown, Director The British Coy, Ld, J Brown, Secretary (Strictly the indorsement should show that the Secretary signs For, or On behalf of the Company) The British Coy, Ld., per J Brown, Secy Received in payment of call & passed to credit of prices per pro The X & Y. Bank, Ld, J Brown, Manager For the British Coy, Ld In Liquidation J Brown } Liquidators J Jones }	per pro The British Coy, Ld, J. Brown, pro Manager J. Brown, Secy, British Coy, Ld per pro The British Company, J Brown, Secy per pro The British Coy, Ld, per pro John Brown, Secy. J. Jones. The British Coy, Ld (But see Section 77, Companies (Consolidation) Act, 1908, under COMPANIES) For The British Coy, Ld, in Liquidation For J Brown, Liquidator, J Jones
The British Baking Coy	For or on behalf of The British Coy, Ld, J Brown, Secy per pro The British Baking Coy, J Brown, Secretary per pro The British Baking Coy., Brown & Jones For the British Baking Coy, J Brown, Agent per pro The British & Universal Baking Coy (Formerly The British Baking Co.), J. Brown, Secy p p. The British Baking Coy, J Brown, Proprietor The British Baking Coy, J Brown, cashier authorised to sign The British Baking Coy, J Brown, Manager. (It is better that Brown should sign per pro, For, or On behalf of)	The British Baking Coy, p p. J Brown, Secy John Brown, Manager, British Baking Coy per pro The Baking Coy, J. Brown, Secy The British Baking Coy per pro The British Baking Co, Ld, J Brown, Secy

Payee	Correct or Usually Accepted	Wrong or Not Usually Accepted.
Cash or Order	Requires drawer's indorsement	
Wages or Order	Do	
Estate % or Order	Do	
Wages or Bearer	No indorsement required	
King Charles the First or Order	Do	
Dick Swiveller or Order (a fictitious person)	Do	
ss Britannia or Order	Requires indorsement by an authorised official	
Corporation Stock or Order	Requires City Treasurer's indorsement	
Bearer or Order	Usually treated as payable to bearer	
Income Tax or Order	Requires indorsement of Collector of Inland Revenue	
My son the bearer	Requires son's indorsement	
My son, the bearer or Order	Do	
W. B . . .	W B W Brown	
% of John Brown	Placed to credit of Payee's account per pro British Banking Co, Ltd, J. Jones, Manager	
Brown & Jones (names transposed)	per pro Brown & Jones, T Smith, Manager	
Ann Brown (spelled wrongly)	per pro Jones & Brown, T Smith, Manager	Anne Brown
Robert MacIntyre (spelled wrongly)	Ann Brown Anne Brown	
Robert MacIntyre	Robert MacIntyre Robt McIntyre	Robert McIntyre
W Brown or order J J (alteration initialled by drawer)	Usually treated as being payable to bearer	
Brown	J Brown	Brown.
John Brown & Another	For Self & another, J Brown	John Brown.
Representatives of John Brown	For Self and Co Executors of the late John Brown, J Jones	
John Brown for J Jones	John Brown for John Jones	per pro J Brown, R. Smith.
Miss Brown (now married)	M Jones & Co Brown	
Brown & Co, Ltd (correct title J R Brown & Co, Ltd)	Brown & Co, Ltd, per pro J R Brown & Co, Ltd, J Jones, Secy	
The Secretary (drawn by a Company)	J Jones, Secretary.	
DIVIDEND WARRANT.		
John Brown, John Jones and R Smith	John Brown (or John Jones or R Smith may sign alone)	
John Brown & Another	John Brown	Jas Smith (the other referred to)
John Brown	John Brown	per pro John Brown, J. Jones.
John Brown, or Bearer	John Brown should sign	

are, in great part, adopted by Section 91 of the Patents and Designs Act, 1907, the provisions of which may from time to time be applied by Order in Council to foreign countries and British possessions. The Act, however, does not completely carry out the convention, since it does not enable trade marks registrable in other countries to be registered here unless they fall within the classes laid down for English trade marks.

**INEBRIATES ACTS.**—The first of these Acts was passed in 1879 with the object of facilitating the control and cure of habitual drunkards. It was regarded as an experiment to remain in force only ten years, and dealt chiefly with the provision of licensed "retreats," to which non-criminal habitual drunkards might be admitted. By the Inebriates' Act of 1888, some modifications were introduced into the Habitual Drunkards' Act of 1879, and the period of its application was prolonged indefinitely. In 1892 a Parliamentary Committee was appointed to enquire into the best mode of dealing with habitual drunkards, and as a result the Inebriates' Act of 1898 was passed, which introduced special provisions for dealing with criminal habitual drunkards, and a short supplementary Act was passed in 1899. These four Acts together are called the Inebriates Acts, 1879 to 1899, and under them power is given to the local authority (in general it is the county council, but in a borough it is the borough council) to grant to any one or more persons a licence for a period not exceeding two years, to keep a "retreat," and such licence can be renewed or revoked from time to time. On at least of these licensees must reside in the retreat and be responsible for its management. A duly qualified medical man must be employed, but the licensee, if on the Medical Register, may himself act as the medical attendant. The word "retreat" means a house, licensed by the licensing authority named in the Acts, for the reception, control, care, and curative treatment of habitual drunkards.

An habitual drunkard is a person who, not being amenable to any jurisdiction in lunacy, is, by reason of habitual intemperate drinking of intoxicating liquor, at times dangerous to himself or herself or to others, or incapable of managing himself or herself and his or her affairs. Habitual drunkards may be admitted to retreats on their own application, such application must be made to the licensee of a retreat in a specified form, and must be accompanied by a statutory declaration of two persons that the applicant is an habitual drunkard, and the signature of the applicant must be attested by a justice of the peace who must satisfy himself that the applicant is an habitual drunkard, and understands the effect of his application for admission to a retreat. An applicant, after his admission and reception, is not entitled to leave the retreat before the expiration of the term mentioned in his application, unless discharged or authorised by licence as provided by the Act, and he may be detained against his will until the expiration of the said term provided it does not exceed two years. Permission may be given by a justice of the peace at the request of the licensee of a retreat, for the habitual drunkard to live with any respectable and trustworthy person for a definite period for the benefit of his health, such period not to exceed two months in the first instance, but such period before its expiry may be renewed for a further two months and so on, from time to time, until his period of detention has expired. Leave of absence

from a retreat may be forfeited or revoked. The period of authorized absence is counted, and the period of unauthorized absence is not counted, in reckoning the time during which the habitual drunkard may be detained.

A person who is, or at any time has been, detained as an habitual drunkard, may have his term of detention extended or may be re-admitted without the statutory declaration required for a first admission and without the necessity on the part of the attesting justice to satisfy himself that the applicant is an habitual drunkard.

With regard to the treatment of criminal habitual drunkard, the Act of 1898 provides that when a person is convicted on indictment of an offence punishable with imprisonment or penal servitude, if the court is satisfied from the evidence that the offence was committed under the influence of drink, or that drunkenness was a contributing cause of the offence, and the offender admits that he is, or is found by the jury to be, an habitual drunkard, the court may, in addition to or in substitution for any other sentence, order that he may be detained for a term not exceeding three years in any State inebriate reformatory, or in any certified inebriate reformatory, the managers of which are willing to receive him. And where a person commits any of the offences mentioned in the first schedule of the Act of 1898 (e.g., being found drunk in a highway or other public place, whether a building or not, or on licensed premises, being guilty, while drunk, of riotous or disorderly behaviour in a highway or public place, being drunk while in charge of a carriage, horse, or cattle, or when in possession of loaded firearms, being guilty, while drunk, of riotous or indecent behaviour; being drunk while driving a hackney carriage, being drunk and incapable, and not under proper care, in any street or public place; and similar offences in all of which drunkenness is an ingredient), and has within the previous twelve months been convicted summarily at least three times of any of the said offences, or is an habitual drunkard, he is liable, upon conviction on indictment, or if he consents to be dealt with summarily, on summary conviction, to be detained for a term not exceeding three years in any certified inebriate reformatory, the managers of which are willing to receive him. By the Licensing Act of 1902, a person convicted of any offences set out in the first schedule of the Inebriates' Act, 1898, may, in addition to or substitution for any other penalty, be ordered to enter into recognisances to be of good behaviour. Where a husband is an habitual drunkard, his wife can obtain a separation order on this ground under the Summary Jurisdiction (Married Women) Act, 1895, and where the wife is an habitual drunkard the husband can obtain the like relief.

Where a person is convicted under the Licensing Act, 1902, and the court is satisfied that an order of detention could be made under the Inebriates' Act, 1898 (ss 1 or 2), the court may place the convicted person on what was known as the "Black List." This means that he is prohibited under a penalty from purchasing or obtaining any intoxicating liquor for a period of three years from any licensed premises or registered club. (See also LICENSING LAWS.)

**INFANT.**—The position of an infant as to his capacity to contract has been already noticed in the article CONTRACT. But there are certain special points connected with infancy which

(10) Will.—An infant cannot make a will unless he is actually engaged in military service, or is a mariner at sea.

**INFECTIOUS DISEASES.**—The Authorities. The Public Health Act, 1875, and the Public Health (London) Act, 1891, impose upon local authorities the duty of watching for infectious disease and of preventing the spread thereof. The local authorities are: City and borough councils, and urban and rural district councils.

**Common Lodging-houses.** The local authorities may make by-laws requiring the keeper of a common lodging-house to give notice of the case of any infectious disease occurring on his premises. The keeper must at once give notice to the local medical officer of health, if one of his inmates is ill of a fever or of an infectious disease, the keeper must also give a like notice to the poor law relieving officer of his parish. If the keeper of a common lodging-house fails to give notice, he shall be liable to a penalty not exceeding £5. Where houses are let in lodgings, the owner of the lodging-house (not common lodging-house) may be required to give notice and take precautions in case of any infectious disease.

**Disinfection.** If a local authority is of the opinion that the cleansing or disinfecting of a house, or a part of it, or of the articles therein, may tend to prevent or check infectious disease, they must give notice to the occupier or owner, requiring him to cleanse and disinfect accordingly. The penalty for disobedience is a fine not exceeding 10s. for every day on which the order is disobeyed. If the owner or occupier is too poor to cleanse and disinfect, the local authority may undertake the duty and pay the expenses. The local authority may destroy any bedding, clothing, or other articles which have been exposed to infection and may give compensation for the same. The local authority may provide the means to disinfect bedding, clothing, or other infected articles, and may perform the duty free of charge.

**Removal of Patient.** The local authority may also do the following things: Provide and maintain a carriage suitable to convey any infected person to a hospital, and may pay the expenses of the conveyance; remove an infected person, who is not a proper lodger, to the nearest suitable hospital—the person must be suffering from a dangerous infectious disorder; a certificate must be signed by a properly qualified medical man, and the hospital authorities must give their consent to receive the patient. A police officer may also make an order for such removal; whoever wilfully obstructs the police officer in carrying out the order will be liable to a fine of £10. The local authority may also remove to the nearest suitable hospital infected persons from ships or boats, and keep them there as long as may be necessary.

**Exposure of Infected Person.** Any person who is suffering from a dangerous infectious disease must not wilfully expose himself in any public place, or in any room or public conveyance. If the infected person is in charge of animals, that other persons may be exposed to him, a notice must be given to the police officer, and the person must be kept under observation until he is cured. If the person is in charge of animals, that other persons may be exposed to him, a notice must be given to the police officer, and the person must be kept under observation until he is cured. If the person is in charge of animals, that other persons may be exposed to him, a notice must be given to the police officer, and the person must be kept under observation until he is cured.

infected person. No driver or owner shall be obliged to convey an infected person, until he has been paid a sum sufficient to cover his expenses. If any person knowingly lets a room to another in which a person has been suffering from a dangerous infectious disorder, and has not disinfected such room and its contents to the satisfaction of a duly qualified medical man, the person who knowingly lets the room will be liable to a fine not exceeding £20. This will apply to the landlord of an inn as well as to other persons.

**Infected House.** If a person who is showing a house, or part of a house, for the purpose of letting it, in which there has been a dangerous infectious case within six weeks previously, knowingly gives a false answer to a question put to him as to the previous sickness, he will be liable to a fine of £20, or to imprisonment.

**Cholera.** In the case of an outbreak of cholera, or other serious epidemic, the Local Government Board has power to issue special regulations designed to cope with the outbreak. This rule applies to the land of the United Kingdom, and to the seas, rivers, and waters thereof, and to the high seas within 3 miles of the coasts. Any person disobeying these special regulations is liable to a fine of £50. The rules which the Local Government Board may make include: The speedy interment of the dead, house-to-house visitation, medical aid, cleansing, ventilation, disinfection, and guarding against the spread of the disease. The regulations will be published in the *London Gazette*, and the local authority concerned must carry out such regulations, and do all such things as may be necessary for mitigating any such disease. The local authority has power to enter any premises, or board any vessel. Poor law medical officers and general medical practitioners are entitled to charge for their services, with extra remuneration on account of distance. Local authorities have power to provide hospitals, or temporary places, for the reception of the sick suffering from any infectious or other disease.

**Mortuaries.** Local authorities may provide mortuaries for the reception of dead bodies, and they must do so if ordered by the Local Government Board. Where the body of one who has died of any infectious disease is retained in a room in which persons live or sleep, any justice of the peace may, on a certificate given by a duly qualified medical man, order the body to be removed to the mortuary at the cost of the local authority, and to bury the body within a named time. The relieving officer must bury the body at the expense of the poor rate if the relations do not do so; but he may recover the costs from any person legally liable to pay the expenses of the burial. Any person obstructing the execution of this order is liable to a fine of £5.

**Canal Boats.** An Act to provide for the registration and control of canal boats, passed in 1877, and amended in 1881. Power is given to the Local Government Board to make regulations for preventing the spread of infectious disease on canal boats. If a person is suffering from an infectious disease on a canal boat, the master or owner of the boat must inform the local authority; the local authority, when they receive a notice, take steps to prevent the disease from spreading, and may remove the patient to a hospital, and detain the boat until the patient is cured. A duly qualified medical officer may enter a canal boat, if he has reason to believe that a person is suffering from an infectious disease.

take similar shape to that named in No. 2; and, of course, as in the case of inquiry agents, the banker makes no guarantee that the information given is correct, and he further states that it must be taken without prejudice

4 The fourth method is not so common, and in the circumstances there is a natural disinclination to grant the information required For example, Mr Dunn, who has been accustomed to buy from Mr Smith, sends an order to Thomas & Company who carry on a similar business to Mr Smith's Along with his order, Mr Dunn gives Smith's name as a reference When Thomas & Company come to inquire from the latter, there is naturally a desire to withhold the information, owing to the fear of losing the connection which had been established with Mr Dunn It is understood, of course, that such information would only be given where the competitors were on the best terms one with the other

The method adopted for foreign countries is very much on the same lines Books containing varying numbers of "tickets," or blank forms, are sold to clients The cost of these tickets varies according to the country in which the inquiry is to be made For example, an inquiry respecting a French or German customer might cost 2s, whereas the cost of a Polish inquiry would be higher To cover the extra cost of the more expensive inquiries, stamps are sold, and these to the amount required are affixed by the inquirer to the form sent out asking for the information The forms or tickets vary only in their wording, and are essentially the same, although sent out by different agents An example is given below

The example is for a special report There are, of course, the usual printed lists of traders, which are issued annually, to which reference has already been made

Not only is it necessary that a trader should have up-to-date information concerning his customers, but it is essential that such information should be always at hand when required In the method No 1 the lists issued annually can be relied upon as being up-to-date, and being in book form can always be readily handled and found In the other methods outlined, careful records must be made by means of which reports may be turned up with-

out delay There are various ways in which this may be carried out, three of which may be named In the first place, as each report is received, a copy may be made in a book which is kept fully indexed Where the reports received are not very numerous this is perhaps the easiest plan to adopt, but in a large warehouse the books would increase very rapidly, and it would be difficult to trace the latest reports Being necessary to keep the customers' reports thoroughly revised, there might be three or four reports on one account in as many books To find these would be difficult and rather tiresome Another plan adopted by many is to make a copy, or extract, of the salient points of a report on a card forming part of the "card system" (qv) These are afterwards arranged alphabetically, geographically, or otherwise in a cabinet, and could easily be referred to at any time The chief difficulty resultant upon this plan is that the card does not lend itself for much information, and there is always the danger that in making the transcription something important may be omitted

The third and best method is: Immediately after receipt of the reports, to file them on the vertical system, at the same time entering in the card index a note of the name and position, or numbered folder, where the report can be found Any additional information or correspondence relative to the terms or credit of a customer can be afterwards put in the same place, no fresh entry being required Not only is this method the simplest, but it is the quickest and most reliable in actual practice

As already mentioned, the business of inquiry agents is a comprehensive one, but all the business carried on by them, whether it is reports of bankruptcy proceedings, lists of creditors, reports of company meetings, or those previously stated, all are attached to the main purpose of obtaining and disseminating information concerning the financial status of others

**INQUISITION.**—Whenever an inquest has been held (see *INQUEST*), the record of the finding of the jury is called an inquisition, and a person against whom the jury have returned a verdict of murder or manslaughter may be committed for trial, irrespective of what takes place before a police magistrate, and there is no need to bring the matter before the grand jury The accused may be put on

(Counterfoil)	•	No 12345	
No 12345	•	Information required respecting—	
Name . . . . .	•	NAME ..	A Schmidt . .
Address . . . . .	•	TRADE .	Dry Goods Merchant . .
Credit required . . . . .	•	ADDRESS	Paris COUNTRY France....
	•	Credit asked for	500 fcs

SIGNATURE Jas Smith,  
11 York Street, London,  
June 22nd, 1911

NOTE This ticket is only available for one inquiry in France, Germany, Holland, and the United Kingdom After one year from date of issue this form, if not used, must be returned and re-issued

escape The penalty for neglect of this rule is £5 per day during which the neglect continues

The parties who make the gas have power given them to lay pipes for carrying away the liquid washings from the gas works, but no harm must be done to the private wells, sewers, and drains within the parish No washings from the gas works may be allowed to flow into any river, stream, or pound Disobedience to this order involves a penalty of £200 Gas pipes must be laid at the greatest practical distance from water pipes in every street or road Where gas pipes cross water pipes, they must do so at right angles, and the joints of the gas pipes must be at least 4 ft away from the water pipes Heavy penalties are exacted if the water of any company is contaminated by gas, and the penalty is paid to the water company

Persons who supply gas are liable to be indicted for a nuisance, whether the injury proceeds from the making and use of the gas, or from the carelessness or want of skill of any of the servants of the gas company

If any person wilfully breaks, throws down, or damages any lamp or part of a lamp, or wilfully puts out the light, it is lawful for any person to apprehend the offender and to claim the assistance of others The person who apprehends must deliver the offender to a constable A justice will duly fine the offender or imprison him

The lighting inspectors have power to contract for the lighting of the parish to be done to their order, they may purchase ground or buildings, and the property in the lamps, buildings, and furniture shall be vested in the inspectors

The Local Government Act, 1894, which created the parish meeting and the parish council, has altered the form of the law of 1833 in some small particulars, but not the broad facts of it The parish meeting in every rural parish has the exclusive right of adopting the Lighting and Watching Act, 1833 Fourteen clear days' notice must be given to the electors If a poll is demanded, it must be taken by ballot Two-thirds of the parochial electors must be present at the meeting, and, in case of a ballot, two-thirds of the votes must be in favour of adopting the Act When there is a parish council, that council is the authority for carrying out the Act, and not the lighting inspectors Where there is no parish council, but only a parish meeting, that meeting must appoint the lighting inspectors

The Lighting and Watching Act does not apply to boroughs and urban districts, but rather to rural parishes, or parts of rural parishes, or to a combination of two or more rural parishes. If a rural parish desires to abandon the Act, it can do so after calling a meeting of the parochial ratepayers, and discharging all the contracts and liabilities which it has incurred under the Act

**INSPECTION OF MINES.**—The inspection of mines is a statutory duty, being so made by the Act to consolidate and amend the law relating to metalliferous mines, 1872, and by other statutes If loss of life, or injury, occurs to any person employed in or about the mine, the owner or agent must send notice to the Government inspector of the district within twenty-four hours The notice must state whether the accident has arisen from explosion of gas, powder, or steam boiler, or from any other accident The number of persons killed or injured must be clearly stated If a mine is opened or abandoned, the inspector must be

informed, also in the following cases: The opening of a new shaft, abandonment or discontinuance of a shaft, recommencement of work in a shaft, after a discontinuance of three months, and where there is a change in the name of the mine, or in the ownership, or in the agent The notice need not be given, if less than twelve persons are ordinarily employed below ground

The register of boys, young persons, women, and children, which is kept by the owner, must be produced to the inspector at all reasonable times Once in each year the mine owner, or his agent, must send to the inspector a return containing the following particulars: The quantity of mineral sold or produced; the number of persons employed, distinguishing those who work above ground from those who work below; the ages, sexes, and hours of labour of the workers The forms to be filled up are supplied by the inspector Disobedience to the rules above stated is an offence An inspector has power to order, in writing, a mine to be fenced on the ground that it is specially dangerous.

Mine inspectors are appointed by a Secretary of State the appointments are published in the *London Gazette* No one may be appointed as a mine inspector who is in any way financially interested in mines, e.g., a partner, land agent, mining engineer, manager, vieweer, valuer, or arbitrator The duties of the inspector are: To examine and enquire whether the provisions of the Act are being complied with in the case of any mine, to enter, inspect, and examine any mine; to enquire as to the condition of any mine, and to the ventilation; whether the special rules are sufficient; and, generally, to see that everything possible is done for the safety of the persons engaged in or about the mine

If an inspector sees anything dangerous or defective in a mine, even though the Act or the rules do not provide for it, he may give notice to the mine owner, and require the defect to be remedied The owner may object, if so he must send his objection to the Secretary of State, who will cause the matter to be submitted to arbitration Disobedience, after arbitration, is an offence The owner or agent of the mine must keep an accurate plan of the workings; the plan must be not more than six months old, this plan must be produced to the inspector when he requires it To conceal the plan, or not to mark it as desired by the inspector, or wilfully to deceive the inspector, is an offence If necessary, the inspector may require a plan to be prepared at the expense of the owner on a scale of not less than two chains to 1 in., or to any other scale approved. Disobedience is an offence

Every inspector must make an annual report of his proceedings, this report is sent to a Secretary of State, and is laid before both Houses of Parliament An inspector is always one of the parties in an arbitration, an inspector must be present at a coroner's inquest on a death from a mine accident. The coroner must send notice of the inquest to the inspector; the inspector may examine any witness The ordinary rules, and special rules for working a mine, are all laid down in the Act, and it is the duty of the inspector to see that these rules are carried out Special rules must be signed by the inspector, and sent to a Secretary of State. The special rules must be published in some conspicuous place in or near the mine, and must have the name and address of the inspector upon them. A copy of the rules

All these various forms of the inspection of property are a direct interference with the liberty of the subject to do as he likes with his own. Statute law has modified this absolute right, and has required that every person who owns property, real or personal, and employs labour, must do everything he reasonably can for the comfort and safety of the workers and the public. Statute law directly interferes with ownership of property, this statute law is passed by the legislature, at the request of the people themselves, and is a direct denial of the old saying, already quoted, that an Englishman's house is his castle—it is only so, after the Government and other inspectors have done with it.

**INSPECTION OF REGISTER.**—By Section 30 of the Companies (Consolidation) Act, 1908, it is enacted that the register of the members of a joint stock company shall be open, during business hours, to the inspection of any member of the company gratis, and also to the inspection of any other person upon payment of 1s, or such smaller sum as the company may prescribe.

**INSTALMENT.**—One of the parts of a debt which is paid at any time different from any other part of the debt, or to the balance. It also means a payment on account. By the payment of one or more instalments, a debt is kept alive so as to prevent the Statute of Limitations running. Thus, the balance of any simple contract debt is always legally claimable, however old the debt itself, within six years from the payment of the last instalment.

**INSTALMENT SYSTEM.**—There has long been a system in existence of purchasing goods on credit, the payment for the same being made by periodical instalments, though this was formerly largely confined to traders who were known as tallymen. Clothes are one of the chief articles dealt in. The periodical payments continue until the debt is extinguished. After clothes, books began to be sold in a similar fashion. More recently the instalment system has been extended to all kinds of articles, and it is believed that this sort of trading is now dealt in by jewellers as extensively, if not more extensively, than any other tradesmen.

**INSTANTER.**—This is a term meaning "immediately," though in a legal sense it is sometimes asserted that it signifies that an act shall be done within twenty-four hours.

**INSTITUTE OF BANKERS.**—There are three Institutes in existence in the United Kingdom which are devoted to the interests of the banking community, and the objects of which are to assist its members in acquiring an efficient knowledge of the theory of banking. The oldest is that of Scotland, which was established in 1875. The Institute *par excellence*, viz., that of England, was founded in 1879, and Ireland followed suit with an Institute of its own in 1898. Lectures and discussions are the chief media through which the work is carried on, but each Institute has a Journal of its own, in which all points connected with banking are threshed out by the most expert financiers of the day.

**INSTRUMENT.**—This is the legal term applied to a bill, a cheque, a deed, or any document in writing by means of which some right or contract is expressed.

**INSURABLE INTEREST.**—In order that a person may legally effect any insurance in this country, he must possess some pecuniary interest in the

thing insured. This is called his insurable interest, and the possession of this interest distinguishes a contract of insurance from one of wagering. To a certain extent this doctrine has recently been invaded upon, but the nature of this invasion is specially noted under each kind of insurance.

The statute 14 Geo III c 48, was passed, in 1774, to prevent a "mischievous kind of gaming," and enacted—

"(1) No insurance shall be made by any person or persons, bodies politic or corporate, on the life or lives of any person or persons, or on any other event or events whatsoever, wherein the person or persons for whose use, benefit, or on whose account such policy or policies shall be made, shall have no interest, or by way of gaming or wagering, and that every assurance made contrary to the true intent and meaning hereof shall be null and void to all intents and purposes whatsoever.

"(2) It shall not be lawful to make any policy or policies on the life or lives of any person or persons, or other event or events, without inserting in such policy or policies the person or persons, name or names interested therein, or for whose use, benefit, or on whose account such policy is so made or underwritten.

"(3) In all cases where the insured hath interest in such life or lives, event or events, no greater sum shall be recovered or received from the insurer or insurers than the amount or value of the interest of the insured in such life or lives, or other event or events."

The necessity of insurable interest in the case of marine insurance had been provided for in 1776 by the statute 19 Geo II c 37.

In order to escape heavy losses which might otherwise fall upon them, insurance companies are in the habit of re-insuring whenever the risks are of a heavy character. One office has always a sufficient insurable interest in any property which has been insured with it to re-insure in another office.

**INSURANCE.**—For the sake of convenience, the whole subject of Insurance has been divided under three headings. Indemnity, Life, and Marine, and reference must be made to the special articles on each of these for full information. For facility of cross-reference, it may be stated at once that the subject of Indemnity Insurance is sub-divided as follows: (1) Accountants' Indemnity, (2) Baggage, (3) Boiler, (4) Burglary, (5) Excess Bad Debts, (6) Fire, (7) Guarantee, (8) Live Stock, (9) Personal Accident, (10) Plate Glass, (11) Third Party Risks, (12) Workmen's Compensation.

There are, however, a few matters which are common to all kinds of insurance, and these may be usefully noticed under the present article.

What is insurance? It is a contract whereby one person, called the insurer or assurer, undertakes to indemnify another person, called the insured or assured, against a loss which may arise, or to pay a sum of money to him on the happening of a certain specified event. The consideration for this contract is the premium, which may be either a single payment, or a series of payments extended over a fixed period of time. In the case of marine insurance, the name "underwriter" is generally used for the insurer or assurer.

The document in which the contract of insurance is contained is called the "policy of insurance."

In the article headed **INSURABLE INTEREST**, it is

Legal, 231 Strand, W C  
 Liverpool and London and Globe, 1 Cornhill, E C , 1 Dale Street, Liverpool  
 Liverpool Victoria, 45 Holborn Viaduct, E C  
 London and Lancashire, 76 King William Street, E C , 45 Dale Street, Liverpool  
 London Assurance, 7 Royal Exchange, E C  
 London Guarantee and Accident, 42-45 New Broad Street, E C  
 Midland and Textile, 39 New Broad Street, E C  
 Motor Union, 1 Albemarle Street, W  
 National and Co-operative, 104 Queen Victoria Street, E C  
 National General, King's House, King Street, E C  
 National of Great Britain, 13 Abchurch Lane, E C , 184 St Vincent Street, Glasgow  
 New Zealand, 3 Finch Lane, E C , Queen Street, Auckland  
 North and South, 36 New Broad Street, E C , 5 Chapel Street, Liverpool  
 North British and Mercantile, 61 Threadneedle Street, E C , 64 Princes Street, Edinburgh  
 Northern, 1 Moorgate Street, E C , 1 Union Terrace, Aberdeen  
 Northern Equitable, 4 Bucklersbury, E C , Glasgow  
 Norwich Union, 50 Fleet Street, E C , Surrey Street, Norwich  
 Ocean Accident, 36-44 Moorgate Street, E C  
 Phoenix, 5 King William Street, E C  
 Pioneer, 67 Dale Street, Liverpool  
 Premier, 71-72 King William Street, E C  
 Provident Clerks' Guarantee and Accident, 61 Coleman Street, E C  
 Railway Passengers, 64 Cornhill, E C  
 Royal, 28 Lombard Street, E C , Royal Insurance Buildings, Liverpool  
 Royal Exchange, Royal Exchange, E C  
 Scottish Insurance, 14 Nicholas Lane, E C , 115 George Street, Edinburgh  
 Scottish Life, 13 Clement's Lane, E C , 19 St Andrew Square, Edinburgh  
 Scottish Metropolitan, 8 King Street, E C , 25 St Andrew Square, Edinburgh  
 Scottish Temperance, 3 Cheapside, E C , 105 St Vincent Street, Glasgow  
 Scottish Union and National, 3 King William Street, E C , 35 St Andrew Square, Edinburgh  
 South British, Jerusalem Chambers, Cornhill, E C , Auckland, New Zealand  
 Sun, 63 Threadneedle Street, E C  
 Union Assurance, 1 Royal Exchange Buildings, E C  
 United Counties, 5 Queen Victoria Street, E C , 64 Cross Street, Manchester  
 United Legal Indemnity, 222 Strand, W C  
 United London and Scottish, 29 Old Jewry, E C  
 Yorkshire, Bank Buildings, Princes Street, E C , St Helen's Square, York

#### Boilers, Steam Pipes, and Machinery.

British Engine, 49 Queen Victoria Street, E C ; 12 King Street, Manchester  
 Car and General, 1 Queen Victoria Street, E C  
 Law Accident, 215 Strand, W C  
 Manchester Steam Users, 9 Mount Street, Manchester  
 National Boiler, 60 Queen Victoria Street, E C , St Mary's Parsonage, Manchester

Scottish Boiler, 128A Queen Victoria Street, E C , 174 West George Street, Glasgow,  
 Vulcan, 20 King William Street, E C , 67 King Street, Manchester.

#### Burglary.

Caledonian, 82 King William Street, E C , 19 George Street, Edinburgh  
 Car and General, 1 Queen Victoria Street, E C  
 Ecclesiastical, 11 Norfolk Street, Strand, W C  
 Essex and Suffolk, 56 New Broad Street, E C , High Street, Colchester.  
 Fine Art and General, 89 Cheapside, E C  
 Glasgow, 10 Queen Street, E C , Glasgow  
 Guardian, 11 Lombard Street, E C  
 Hearts of Oak, 40 Holborn Viaduct, E C  
 Law Accident, 215 Strand, W C  
 London Guarantee, 42-45 New Broad Street, L C  
 Midland and Textile, 39 New Broad Street, E C  
 National General, King's House, King Street, L C  
 Ocean, 36-44 Moorgate Street, E C  
 Premier, 71-72 King William Street, E C  
 United Legal Indemnity, 222 Strand, W C  
 United London and Scottish, 29 Old Jewry, E C

#### Cattle.

Army, Navy, and General, 217 Piccadilly, W  
 Horse, Carriage, and General, 17 Queen Victoria Street, E C  
 Imperial Accident, Live Stock, and General, 17 Pall Mall Street, S W  
 Scottish Live Stock, Aldwych, Strand, W C ; Perth

#### Fire.

Alliance, Bartholomew Lane, E C  
 Anglo-Scottish, 15 King William Street, E C  
 Atlas, 92, Cheapside, E C  
 British Crown, 110 Cannon Street, E C , 183 West George Street, Glasgow  
 British Equitable, Queen Street Place, E C  
 British General, 66 Cheapside, E C  
 British Law, 5 Lothbury, Bank, E C  
 British Union and National, 92 Cannon Street, E C  
 Caledonian, 82 King William Street, E C , 19 George Street, Edinburgh  
 Central, 1 Cornhill, E C  
 Century, 27 Queen Victoria Street, E C , 18 Charlotte Square, Edinburgh  
 Commercial Union, 24-26 Cornhill, E C  
 Consolidated, 23-28 Fleet Street, E C  
 Co-operative, 14 Red Lion Square, W C , Corporation Street, Manchester  
 County Fire, 50 Regent Street, W  
 Drapers' Mutual, 155 Cheapside, E C  
 Ecclesiastical, 11 Norfolk Street, Strand, W C  
 Employers' Liability, Hamilton House, Victoria Embankment, E C  
 Essex and Suffolk, 56 New Broad Street, E C , High Street, Colchester  
 Fine Art and General, 89 Cheapside, E C  
 General Accident, Aldwych, Strand, W C ; 42 Tay Street, Perth  
 Gresham Fire and Accident, St Mildred's House, E C  
 Guardian, 11 Lombard Street, E C  
 Hand-in-Hand Fire and Life, 26 New Bridge Street, E C  
 Hearts of Oak, 40 Holborn Viaduct, E C



Friends' Provident, 17 Gracechurch Street, E C , 45 Darley Street, Bradford  
 General Accident, Aldwych, Strand, W C , 42 Tay Street, Perth  
 General, 103 Cannon Street, E C  
 Gresham, St Mildred's House, E C  
 Guardian, 11 Lombard Street, E C  
 Hand-in-Hand, 26 New Bridge Street, E C  
 Hearts of Oak, 40 Holborn Viaduct, E C  
 Law Union and Rock, 126 Chancery Lane, W C

Legal and General, 10 Fleet Street, E C  
 Life Association of Scotland, 18 Bishopsgate Street, E C , 82 Princes Street, Edinburgh  
 Liverpool and London and Globe, 1 Cornhill, E C , 1 Dale Street, Liverpool  
 London and Lancashire, 66-67 Cornhill, E C  
 London and Manchester, 50 Finsbury Square, E C

London Assurance, 7 Royal Exchange, E C  
 London Life, 81 King William Street, E C  
 Marine and General, 14 Leadenhall Street, E C  
 Metropolitan Life, 13 Moorgate Street, E C  
 Mutual and Citizens, 17 Coleman Street, E C , Sydney, Australia

Mutual (New York), 16-18 Cornhill, E C , New York

National Mutual, 39 King Street, Cheapside, E C  
 National Mutual of Australia, 5 Cheapside, E C , Melbourne

National Provident, 48 Gracechurch Street, E C  
 New York Life, Trafalgar Buildings, Trafalgar Square, W C ., New York

North British and Mercantile, 61 Threadneedle Street, E C , 64 Princes Street, Edinburgh  
 Northern, 1 Moorgate Street, E C , 1 Union Terrace, Aberdeen

Norwich Union, 50 Fleet Street, E C  
 Pearl, Adelaide Buildings, London Bridge, E C  
 Phoenix, 70 Lombard Street, E C  
 Pioneer, 67 Dale Street, Liverpool  
 Provident Free Home, 72 Bishopsgate Street Without, E C

Prudential, Holborn Bars, E C  
 Refuge, 133 Strand, W C , Oxford Street, Manchester

Royal, 28 Lombard Street, E C , Royal Insurance Buildings, Liverpool

Royal Exchange, Royal Exchange, E C  
 Royal London Finsbury Square, E C  
 Sceptre, 40 Finsbury Pavement, E C  
 Scottish Amicable, 1 Threadneedle Street, E C ,

35 St Vincent Place, Glasgow

Scottish Equitable, 13 Cornhill, E C , 28 St Andrew Square, Edinburgh

Scottish Insurance, 14 Nicholas Lane, E C ; 115 George Street, Edinburgh

Scottish Legal, 84 Wilson Street, Glasgow

Scottish Life, 13 Clement's Lane, E C , 19 St Andrew Square, Edinburgh

Scottish Metropolitan, 8 King Street, E C ; 25 St Andrew Square, Edinburgh

Scottish Provident, 3 Lombard Street, E C , 6 St Andrew Square, Edinburgh

Scottish Temperance, 3 Cheapside, E C , 105 St Vincent Street, Glasgow

Scottish Union and National, 3 King William Street, E C , 35 St Andrew Square, Edinburgh

Scottish Widows, 28 Cornhill, E C , 9 St Andrew Square, Edinburgh

Standard, 83 King William Street, E C , 3 George Street, Edinburgh

Star, 32 Moorgate Street, E C  
 Sun, 63 Threadneedle Street, E C  
 Sun Life of Canada, 4-5 Norfolk Street, Strand, W C , Montreal, Canada  
 United Kingdom Temperance, 196 Strand, W C  
 University, 25 Pall Mall, S W  
 Wesleyan and General, 101 Finsbury Pavement, E C , Corporation Street, Birmingham  
 Yorkshire, Bank Buildings, Princes Street, E C , St Helen's Square, York

#### Marine.

Most of the Marine insurance business is done by private underwriters connected with Lloyd's, and insurances are effected through brokers, who form an important class in London, Liverpool, and Glasgow. The following offices, however, undertake the work as well as other kinds of insurance—

Alliance, Bartholomew Lane, E C  
 British Dominions General, 1 Royal Exchange Avenue, E C

Commercial Union, 24-26 Cornhill, E C  
 Indemnity Mutual, 1 Old Broad Street, E C  
 Maritime, Brown's Buildings, Liverpool  
 Merchants' Marine, 37 Cornhill, E C  
 North British and Mercantile, 61 Threadneedle Street, E C , 64 Princes Street, Edinburgh  
 Reliance Marine, 27 Cornhill, E C , Exchange Buildings, Liverpool

Royal Exchange, Royal Exchange, E C  
 Thames and Mersey, 80 Cornhill, E C  
 World Marine, 21 Finch Lane, E C

#### Plate Glass.

Anglo-Scottish, 15 King William Street, E C  
 Drapers' Mutual, 155 Cheapside, E C  
 Ecclesiastical, 11 Norfolk Street, Strand, W C  
 London Guarantee and Accident, 42-45 New Broad Street, E C

National Provincial Plate-Glass, 66 Ludgate Hill, E C

Northern, 1 Moorgate Street, E C , 1 Union Terrace, Aberdeen

Premier, 71-72 King William Street, E C

Provincial, Bolton, Lancashire

Royal Exchange, Royal Exchange, E C

United London and Scottish, 29 Old Jewry, E C.

#### Trustees and Executors.

Trustees, Executors, and Securities, Winchester House, E C

The above are the chief kinds of insurance, and the offices which take up the special kinds noticed more particularly under the heading **INDemnITY**

**INSURANCE** will be generally gathered from the peculiar nature of the same. Thus, mortgage will be the same as guaranter, motor car as accident, etc.

**INSURANCE POLICY.**—The document which sets out the terms upon which an insurance is effected.

**INTANGIBLE ASSETS.**—(See **ASSETS**)

**INTER-BOURSE SECURITIES — INTERNATIONAL SECURITIES.**—These are general

terms for indicating securities, the loans for which were originally raised simultaneously in different countries. They are dealt in at a fixed rate of exchange, as indicated in the body of the bond.

Consequently they can be bought or sold in different countries at practically the same prices. The chief of these inter-bourse securities are the Greek

Italian, Portuguese, Russian, Spanish, and Turkish loans.

His own unaided efforts would not keep him alive a month

The doctrine of the Middle Ages that loans should be free, and that the exaction of interest is an exploiting of labour by the diones of the community, is still not extinct. It is expressed by Ruskin, for example, in its most absolute form. To mark the criminality of lending money with a view to making profit, he calls the payment "usury," not "interest," for interest, by its derivation ("it is profitable"), would imply that both lender and borrower gained from the loan. He denounces the folly of those who imagine that they can subsist in idleness upon usury. "Usury is properly the taking of money for the loan or use of anything (over and above what pays for wear and tear), such use involving no care or labour on the part of the lender. It includes all investments of capital whatsoever, returning 'dividends,' as distinguished from labour wages, or profits. Thus anybody who works on a railroad as platelayer, or stoker, has a right to wages for his work, and any inspector of wheels or rails has a right to payment for such inspection, but idle persons who have only paid a hundred pounds towards the road-making have a right to the return of the hundred pounds—and no more. If they take a farthing more they are usurers. They may take fifty pounds for two years, twenty-five for four, five for twenty, or one for a hundred. But the first farthing they take more than their hundred, be it sooner or later, is usury." How the increased investment of capital, which is the best guarantee of efficient public service, is to be secured under these conditions, is not manifest.

"Usury" he assures us, "is worse than theft, in so far as it is obtained either by deceiving people or distressing them, generally by both, and, finally, by deceiving the usurer himself, who comes to think that usury is a real increase, and that money can grow out of money, whereas all usury is increase to one person only by decrease to another; and every gain of calculated increment to the Rich is balanced by the mathematical equivalent of Decrement to the Poor." The idea is evidently that the creditor is a rich financier living on the gains from struggling debtors, but usually the great financiers are more debtors than creditors. The chief creditor class are those who live on past savings invested in "safe" lines, holders of life insurances, and wage earners and professional men, to whom the prospect of interest from their modest savings has been of the greatest public benefit. Economic restlessness has been removed by the approval on grounds of public policy of an interest system. In very many cases it would be the reverse of kindness and of distributive justice to encourage debtors at the expense of creditors.

But it is not necessary to bring forward remote reasons why interest should be paid. It would seem no more than reasonable that if a workman, by means of a machine, can provide ten times, perhaps a hundred times, more than without it, some portion of the increase should accrue to the capitalist who has provided the machine, and even if the loan is purely for consumption, the interest paid for it is the monetary make-weight to enable the future good to balance the present good—identical in all respects except time. We must add something to the value of an invitation to dine next year to make it equal to the dinner

provided for us now. "A bird in the hand is worth two in the bush." Conversely, if we give a future good—a bill at six months, for instance—for a present good, we are obliged to accept a less amount than we should have had in the future. The difference in value created by time is, here, Discount.

The proper answer to those who argue that loans should be gratuitous is, perhaps, that of Bastiat. "I give notice," he exclaims, "that henceforth I play the part of a borrower. That part is all gain. I shall borrow, free of charge, a fine house on the boulevards, well chosen furniture, and fifty thousand into the bargain. Doubtless my example will be infectious, and there will be plenty of borrowers in the world. Provided that there is no lack of lenders, we shall all lead a merry life."

The striking differences in the rates of interest at different times and in different places are simply instances of the operations of Demand and Supply. Increase in the vividness of future things is a mark of advancing civilisation, and in proportion as there is less difference in the mental image of *now* and *some time hence*, so the rate of interest will be less. The child or the savage, to whom the future is dim and vague, needs a great inducement to postpone the enjoyment of a present good; but this tendency to decrease in the rate of interest as civilisation advances is, to some extent, counteracted by the increased scope for investment afforded. As the demand for loans increases the rate of interest rises, and at times the counteracting cause actually makes head against the tendency of interest to a minimum, and for a while the rate rises.

The fluctuations in the rate over short intervals, fluctuations which are typical of a market so highly organised and sensitive as the Money Market is, depend mainly on the amount of the available loans in the hand of the professional money-lenders, bankers, and bill-brokers. A discussion of these variations will be found in the article MONEY MARKET AND TRADE.

**INTEREST AND INTEREST TABLES.**—Interest is money paid for the use of money. It is generally calculated at a certain rate per annum. The money lent is called the principal, the sum per cent or per hundred agreed upon is the rate of interest.

Though it is true to say that the interest charged is the money agreed to be paid for the use of money, it is nevertheless divisible into two parts, for the rate charged increases as the risk undertaken is greater. Hence, one portion is for the use of the money, the remainder being a compensation for the chance of losing the whole owing to the insecurity of the investment.

Simple interest is computed upon the principal only, and is invariable. Compound interest is calculated upon the principal and upon any interest which has accrued due and has not been paid. Compound interest is not favoured by law, since it is the duty of a creditor to demand his interest as soon as it becomes due.

Unless agreed upon by the parties, no interest is allowed by the court except in the following cases—

- (1) Where there is a usage of trade
- (2) Where interest is specially given by a jury
- (3) When a judgment is not immediately satisfied

**Time at which Money doubles itself at Interest.**

(a) *Simple Interest.* Divide 100 by the rate per cent. The quotient gives the number of years.

Days	2%			3%			4%			5%			Days	2%			3%			4%			5%			
	£	s	d	£	s	d	£	s	d	£	s	d		£	s	d	£	s	d	£	s	d	£	s	d	
73	0	8	0	0	12	0	0	16	0	1	0	0	140	0	15	4	1	3	0	1	10	8	1	1	18	4
74	0	8	1	0	12	2	0	16	2	1	0	3	141	0	15	5	1	3	2	1	10	11	1	1	18	7
75	0	8	2	0	12	4	0	16	5	1	0	6	142	0	15	6	1	3	4	1	11	1	1	18	11	
76	0	8	4	0	12	6	0	16	8	1	0	10	143	0	15	8	1	3	6	1	11	4	1	19	2	
77	0	8	5	0	12	8	0	16	10	1	1	1	144	0	15	9	1	3	8	1	11	6	1	19	5	
78	0	8	6	0	12	10	0	17	1	1	1	4	145	0	15	10	1	3	10	1	11	9	1	19	8	
79	0	8	8	0	12	11	0	17	3	1	1	7	146	0	16	0	1	4	0	1	12	0	2	0	0	
80	0	8	9	0	13	1	0	17	6	1	1	11	147	0	16	1	1	4	2	1	12	2	2	0	3	
81	0	8	10	0	13	3	0	17	9	1	2	2	148	0	16	2	1	4	4	1	12	5	2	0	6	
82	0	8	11	0	13	5	0	17	11	1	2	5	149	0	16	4	1	4	6	1	12	8	2	0	10	
83	0	9	1	0	13	7	0	18	2	1	2	9	150	0	16	5	1	4	8	1	12	10	2	1	1	
84	0	9	2	0	13	9	0	18	5	1	3	0	151	0	16	6	1	4	10	1	13	1	2	1	4	
85	0	9	3	0	13	11	0	18	7	1	3	3	152	0	16	8	1	4	11	1	13	3	2	1	7	
86	0	9	5	0	14	1	0	18	10	1	3	6	153	0	16	9	1	5	1	1	13	6	2	1	11	
87	0	9	6	0	14	3	0	19	0	1	3	10	154	0	16	10	1	5	3	1	13	9	2	2	2	
88	0	9	7	0	14	5	0	19	3	1	4	1	155	0	16	11	1	5	5	1	13	11	2	2	5	
89	0	9	9	0	14	7	0	19	6	1	4	4	156	0	17	1	1	5	7	1	14	2	2	2	9	
90	0	9	10	0	14	9	0	19	8	1	4	8	157	0	17	2	1	5	9	1	14	5	2	3	0	
91	0	9	11	0	14	11	0	19	11	1	4	11	158	0	17	3	1	5	11	1	14	7	2	3	3	
92	0	10	1	0	15	1	0	2	1	1	5	2	159	0	17	5	1	6	1	1	14	10	2	3	6	
93	0	10	2	0	15	3	0	4	1	1	5	5	160	0	17	6	1	6	3	1	15	0	2	3	10	
94	0	10	3	0	15	5	1	0	7	1	5	9	161	0	17	7	1	6	5	1	15	3	2	4	1	
95	0	10	5	0	15	7	1	0	10	1	6	0	162	0	17	9	1	6	7	1	15	6	2	4	4	
96	0	10	6	0	15	9	1	1	0	1	6	3	163	0	17	10	1	6	9	1	15	8	2	4	8	
97	0	10	7	0	15	11	1	1	3	1	6	7	164	0	17	11	1	6	11	1	15	11	2	4	11	
98	0	10	9	0	16	1	1	1	5	1	6	10	165	0	18	1	1	7	1	1	16	2	2	5	2	
99	0	10	10	0	16	3	1	1	8	1	7	1	166	0	18	2	1	7	3	1	16	4	2	5	5	
100	0	10	11	0	16	5	1	1	11	1	7	4	167	0	18	3	1	7	5	1	16	7	2	5	9	
101	0	11	0	0	16	7	1	2	1	1	7	8	168	0	18	5	1	7	7	1	16	10	2	6	0	
102	0	11	2	0	16	9	1	2	4	1	7	11	169	0	18	6	1	7	9	1	17	0	2	6	3	
103	0	11	3	0	16	11	1	2	7	1	8	2	170	0	18	7	1	7	11	1	17	3	2	6	7	
104	0	11	4	0	17	1	1	2	9	1	8	6	171	0	18	9	1	8	1	1	17	5	2	6	10	
105	0	11	6	0	17	3	1	3	0	1	8	9	172	0	18	10	1	8	3	1	17	8	2	7	1	
106	0	11	7	0	17	5	1	3	2	1	9	0	173	0	18	11	1	8	5	1	17	11	2	7	4	
107	0	11	8	0	17	7	1	3	5	1	9	3	174	0	19	0	1	8	7	1	18	1	2	7	8	
108	0	11	10	0	17	9	1	3	8	1	9	7	175	0	19	2	1	8	9	1	18	4	2	7	11	
109	0	11	11	0	17	11	1	3	10	1	9	10	176	0	19	3	1	8	11	1	18	7	2	8	2	
110	0	12	0	0	18	1	1	4	1	1	10	1	177	0	19	4	1	9	1	1	18	9	2	8	6	
111	0	12	2	0	18	3	1	4	4	1	10	5	178	0	19	6	1	9	3	1	19	0	2	8	9	
112	0	12	3	0	18	5	1	4	6	1	10	8	179	0	19	7	1	9	5	1	19	2	2	9	0	
113	0	12	4	0	18	7	1	4	9	1	10	11	180	0	19	8	1	9	7	1	19	5	2	9	3	
114	0	12	6	0	18	9	1	4	11	1	11	2	181	0	19	10	1	9	9	1	19	8	2	9	7	
115	0	12	7	0	18	11	1	5	2	1	11	6	182	0	19	11	1	9	11	1	19	10	2	9	10	
116	0	12	8	0	19	0	1	5	5	1	11	9	183	1	0	0	1	10	1	2	0	1	2	10	1	
117	0	12	10	0	19	2	1	5	7	1	12	0	184	1	0	2	1	10	3	2	0	4	2	10	5	
118	0	12	11	0	19	4	1	5	10	1	12	4	185	1	0	3	1	10	5	2	0	6	2	10	8	
119	0	13	0	0	19	6	1	6	1	1	12	7	186	1	0	4	1	10	7	2	0	9	2	10	11	
120	0	13	1	0	19	8	1	6	3	1	12	10	187	1	0	6	1	10	9	2	0	11	2	11	2	
121	0	13	3	0	19	10	1	6	6	1	13	1	188	1	0	7	1	10	11	2	1	2	2	11	6	
122	0	13	4	0	20	0	1	6	9	1	13	5	189	1	0	8	1	11	0	2	1	5	2	11	9	
123	0	13	5	0	20	2	1	6	11	1	13	8	190	1	0	10	1	11	2	2	1	7	2	12	0	
124	0	13	7	0	20	4	1	7	2	1	13	11	191	1	0	11	1	11	4	2	1	10	2	12	4	
125	0	13	8	0	20	6	1	7	4	1	14	3	192	1	1	0	1	11	6	2	2	1	2	12	7	
126	0	13	9	0	20	8	1	7	7	1	14	6	193	1	1	1	1	11	8	2	2	3	2	12	10	
127	0	13	11	0	20	10	1	7	10	1	14	9	194	1	1	3	1	11	10	2	2	6	2	13	1	
128	0	14	0	1	21	0	1	8	0	1	15	0	195	1	1	4	1	12	0	2	2	9	2	13	5	
129	0	14	1	1	21	2	1	8	3	1	15	4	196	1	1	5	1	12	2	2	2	11	2	13	8	
130	0	14	3	1	21	4	1	8	6	1	15	7	197	1	1	7	1	12	4	2	3	2	2	13	11	
131	0	14	4	1	21	6	1	8	8	1	15	10	198	1	1	8	1	12	6	2	3	4	2	14	3	
132	0	14	5	1	21	8	1	8	11	1	16	2	199	1	1	9	1	12	8	2	3	7	2	14	6	
133	0	14	7	1	21	10	1	9	1	1	16	5	200	1	1	11	1	12	10	2	3	10	2	14	9	
134	0	14	8	1	22	0	1	9	4	1	16	8	201	1	2	0	1	13	0	2	4	0	2	15	0	
135	0	14	9	1	22	2	1	9	7	1	16	11	202	1	2	1	1	13	2	2	4	3	2	15	4	
136	0	14	11	1</																						

TABLE II

Years	2½ per cent.	3 per cent	3½ per cent	4 per cent	4½ per cent	5 per cent	Years.
1	1 0000	1 0000	1 0000	1-0000	1 0000	1-0000	1
2	2 0250	2 0300	2 0350	2 0100	2 0450	2-0500	2
3	3 0756	3 0909	3 1062	3 1216	3 1370	3-1525	3
4	4 1525	4 1836	4 2149	4 2165	4 2782	4 3101	4
5	5 2563	5 3091	5 3625	5 1163	5-4707	5-5256	5
6	6 3878	6 1684	6-5502	6 6329	6 7169	6 8019	6
7	7 5475	7 6626	7 7791	7 8983	8 0191	8 1420	7
8	8 7362	8 8924	9 0517	9 2142	9 3800	9 5491	8
9	9 9546	10 1592	10 3685	10 5828	10 8021	11 0266	9
10	11 2035	11 4610	11 7314	12 0061	12 2882	12 5779	10
11	12 4835	12 8079	13 1420	13 4863	13 8412	14 2068	11
12	13 7956	14 1921	14 6019	15 0258	15 4610	15 9171	12
13	15 1405	15 6179	16 1130	16 6268	17 1599	17 7129	13
14	16 5190	17 0861	17 6770	18 2919	18 9321	19-5986	14
15	17 9320	18 5990	19 2957	20 0236	20 7840	21-5785	15
16	19 3903	20 1569	20 9710	21 8215	22 7193	23 6575	16
17	20 8648	21 7617	22 7050	23 6975	24 7417	25 8404	17
18	22 3864	23 4145	24-4997	25 6454	26 8550	28-1324	18
19	23 9461	25 1169	26 3572	27 6712	29 0635	30 5390	19
20	25 5447	26 8705	28 2797	29 7781	31 3714	33 0659	20
21	27 1831	28 6766	30 2691	31 9692	33 7831	35 7192	21
22	28 8629	30 5369	32 3289	34 2179	36 3033	38 5052	22
23	30 5845	32 4529	34 4604	36 6178	38 9369	41 4305	23
24	32 3491	34 4265	36 6665	39 0826	41-6891	44 5020	24
25	34 1578	36 4593	38 9498	41 6459	44 5651	47-7271	25
26	36 0118	38 5531	41 3131	41 3117	47 5705	51 1131	26
27	37 9121	40 7097	43 7590	47 0842	50 7112	54 6691	27
28	39 8599	42 9309	46 2906	49 9675	53 9932	58 4026	28
29	41 8564	45 2189	48 9107	52 9662	57 4229	62 3227	29
30	43 9028	47-5754	51 6226	56 0849	61 0069	66 4388	30
31	46 0003	50 0027	54 4294	59 3283	64 7522	70 7608	31
32	48 1503	52 5027	57 3344	62 7014	68 6661	75 2988	32
33	50 3541	55 0778	60 3411	66 2094	72-7561	80 0638	33
34	52 6129	57 7302	63 4531	69 8578	77 0301	85 0669	34
35	54 9283	60 4621	66 6739	73 6521	81 4964	90 3203	35
36	57 3015	63 2759	70 0075	77 5982	86 1637	95 8363	36
37	59 7340	66 1742	73 4578	81 7021	91 0411	101 6281	37
38	62 2274	69 1595	77 0288	85 9702	96 1379	107 7096	38
39	64 7831	72 2343	80 7248	90 4090	101 4642	114 0950	39
40	67 4026	75 4013	84 5502	95 0251	107 0300	120 7998	40
41	70 0877	78 6633	88 5094	99-8264	112 8464	127 8398	41
42	72 8399	82 0232	92 6072	104 8191	118 9245	135 2318	42
43	75 6609	85 4839	96 8185	110 0122	125-2761	142 9934	43
44	78 5524	89 0485	101 2382	115 4127	131-9135	151 1430	44
45	81 5162	92 7199	105 7815	121 0292	138 8496	159 7002	45
46	84 5541	96 5015	110 4839	126 8703	146 0978	168 6852	46
47	87 6679	100 3966	115 3508	132 9452	153 6722	178 1195	47
48	90 8596	104 4085	120 3881	139 2629	161 5874	188 0255	48
49	94 1311	108 5407	125 6016	145 8335	169 8589	198 4267	49
50	97 4844	112 7969	130 9977	152 6668	178 5025	209-3481	50
51	100 9215	117 1809	136 5826	159 7735	187 5351	220 8155	51
52	104 4445	121 6963	142 3630	167 1644	196 9742	232 8563	52
53	108-0556	126 3472	148 3457	174 8509	206 8380	245 4991	53
54	111 7570	131 1376	154 5378	182 8450	217 1457	258 7741	54
55	115 5509	136 0717	160 9466	191 1588	227-9172	272 7128	55
56	119 4397	141 1539	167 5798	199 8051	239-1735	287 3484	56
57	123 4257	146 3885	174 4451	208 7973	250 9363	302 7158	57
58	127 5113	151 7801	181 5506	218 1492	263 2284	318 8516	58
59	131 6991	157 3335	188 9049	227 8752	276 0737	335-7942	59
60	135 9915	163 0535	196 5166	237-9902	289 4970	353 5839	60

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**INTERNATIONAL CUSTOMS UNION.**—In face of the burden of armaments, which the great Powers of the world consider themselves bound to support, a union implying that there is a common interest among nations would seem to be a vision without prospect of realisation. Yet there are not wanting signs of a decay of hostile feelings among men. Intercourse among men of different races, for trade in particular, has become so frequent and intimate, the prosperity or depression of one country has so marked and obvious effects on the well-being or adversity of all others, that the old narrow feelings which isolated men have vanished. The idea that all mankind, whatever their colour, race, or creed, is entitled to friendship and help is comparatively new as a popular belief, and in the stress of actual life it may be hard to maintain. Yet with the increase of transport facilities, which is the great economical phenomenon of the past half century, the idea is sure to grow stronger; and, as all vicious and absurd systems have the seeds of their own decay, the excessive armaments will be destroyed by the keener appreciation of their cost and foolishness. We have left far behind the thought that all other people are natural enemies to be destroyed or enslaved, and even that one section of the same people was dependent for its wealth on the poverty of the others. The petition of the Prussian landresses to their council that the hnen washed in the suburbs might be taxed, because the landresses on the outskirts permitted themselves to wash cheaper and better than those within the city, only caused amusement. It would formerly have received serious attention.

Agreements among nations as to trade, analogous to conventions about customs, have been found practicable [some of these are discussed in the article **COMMERCIAL TREATIES**], and the French Government has intimated that at the next Hague Conference, which is to meet not later than 1914, it will raise the question of a collective movement against ultra-Protectionism. The United States has several times attempted to form a Customs Union embracing the whole of the American republics, commercial union between the different parts of the British Empire is a "burning" question, and to confront these two Unions, each occupying a third of the world, the project of a Continental union for purposes of trade is mooted. The great strength of the movement towards commercial union is undoubtedly owing to the marked success of its partial application. Probably, for example, when we attribute the surprising progress of Germany to education, technical training, and the rest, we omit the greatest factor of all, that the Zollverein—the Customs Union—established since trade over the whole area of the German Empire. The empire, in fact, grew out of the Customs Union: the twenty-six States, once divided by Customs barriers, jealously impeding the passage of goods

from State to State, now, under the lead of Prussia, face the world as a united country. Over this immense area of the United States there is international free trade and all the benefits of free competition. Should "unrestricted reciprocity" with Canada be arranged, the free trade area would be doubled, and the close commercial union would seem to be the prelude to an ultimate social and political union.

The formation of the Australasian Federation also was due in great measure to a sense of the waste, confusion, and irritation caused by the isolated commercial policy of the separate States. Each imposed tariffs against its neighbours' products, or by means of differential railway rates tried to divert their trade to its own ports.

The question of the formation of a Zollverein embracing all the parts of the British Empire—or at any rate, binding them together by a scheme of preferential tariffs—is perhaps rather financial and political than commercial. The Colonies are, naturally enough, jealous of their independence, and are unwilling to compromise it, and the closer union of any confederation involves the surrender of powers with which the separate communities are reluctant to part. They are anxious to strengthen commercial relations, and steps have already been taken in that direction—we have, for instance, the subsidising of steamships, the laying of submarine cables, the general penny postage, and the preference accorded to British goods. But, as they have almost without expense the protection of Britain's Navy, they are well satisfied with their financial position. Like other persons and communities, they are not eager to increase their pecuniary obligations. Britain, however, in spite of her wealth, finds the burden of holding the sea against the world a heavy one, and would gladly transfer some part of the cost to the Colonies. According to the figures prepared for the Colonial Conference of 1902, the average naval expenditure per head of population in the self-governing Colonies was 4d., for the United Kingdom it was 15s. 1d. The military expenditure was 2s. 5d. against 14s. 1½d. for the United Kingdom. The proportion seems hardly fair.

So far as immediate gain to trade is concerned, in all probability the conclusion of treaties discriminating against foreign goods in favour of Colonial would be an error. Whether the pecuniary loss would not be more than repaid in other respects is another matter. Many feel certain that the British Empire cannot hold together unless means can be devised of creating common interests. As Cecil Rhodes wrote to the great Canadian statesman, Sir John Macdonald: "The whole thing lies in the question, Can we invent some tie with our Mother Country that will prevent separation? It must be a practical one, for future generations will not be born in England. The curse is that English politicians cannot see the future. They think they will always be the manufacturing mart of the world." The spread of Free Trade principles would not, in the long run, be retarded by such a scheme as is suggested, and the guarantee for peace to the world, which a firmly knit British Empire would give, would be altogether for good.



